

2021



INTEGRATED
MANAGEMENT REPORT

LAYING THE
FOUNDATIONS FOR THE

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MANAGEMENT REPORT
2021



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PRESIDENT'S LETTER

AHMED YAHIA AL IDRISI
President of Cepsa



I am pleased to present the 2021 Cepsa Integrated Management Report.

On behalf of the Board of Directors, I would like to thank all of our colleagues across the globe for their contributions during 2021. Despite the continuing social and economic challenges caused by the second year of the global COVID-19 pandemic, by focusing on the needs of our customers, Cepsa was able to deliver a strong performance.

Our first priority as a company has always been to ensure the safety of our people and our business partners. I am therefore proud to report that during 2021, Cepsa's recordable injury events continued to decline – a positive trend that has been maintained since 2019.

Against this backdrop of operational resilience, business growth and continuous improvement, we were delighted to announce the appointment of Maarten Wetselaar as Chief Executive Officer and Carmen de Pablo as Chief Financial Officer.

The skills and experience of our new senior leadership team will be invaluable to Cepsa as the company implements the next phase of its green transition and adapts its structure to drive more focused value delivery across the business. Many of Cepsa's operational milestones during 2021 reflected the central impor-

tance of our energy transition agenda, including:

- The establishment of a partnership between Cepsa and Redexis to launch Europe's first network-wide installation of photovoltaic power at service stations.
- The signing of the first major alliance with Endesa to accelerate electric mobility in Spain and Portugal, a major step forward in both companies' goal to drive energy transition and decarbonize the transportation sector.
- The launch by our Chemicals unit of a range of environmentally friendly products that set new sustainability benchmarks for the sector. Over the next decade, the Chemicals Unit will increase its portfolio of products from renewable and reused sources to further reduce its environmental footprint.
- The establishment by the Cepsa Foundation of a new Chair of Hydrogen Studies at Comillas Pontifical University in Spain.
- The establishment of an ambitious strategic alliance between Cepsa and the Iberia Group to decarbonize air transport on a large scale with sustainable aviation biofuels (SAF) and other alternative energies.

Going forward, the acceleration of Cepsa's decarbonization strategy will be further supported by giving greater autonomy to our business units. This move will allow our operational teams to focus their undivided attention on anticipating and meeting the requirements of all of our customers. As a business, we are committed to:

- Developing customer-centric green B2C and B2B businesses including the industry's leading convenience, mobility and new commerce offerings.
- Expanding our green portfolio to include biofuels, renewables and green hydrogen.
- Significantly reducing Cepsa's level of CO₂ emissions by 2030.
- Establishing greater gender diversity in management positions by 2025.

Time and again, I have seen what matters the most is the values a company lives by and whether its people are always prepared to do the right thing, however great the challenge. Together, the values of our people, the experience of our leadership and our focus on the needs of our customers will create the strongest of foundations for Cepsa's continuing transformation into a sustainable energy and mobility business.

CEO'S LETTER

MAARTEN WETSELAAR
CEO of Cepsa



In 2021 our company continued to be affected significantly by the COVID-19 pandemic. Many of our staff suffered illness but thankfully we did not suffer any loss of life. The economic situation in our main markets remained depressed and volatile.

It is specially against that context that I want to start by sharing my deep appreciation for the people of Cepsa and their invaluable contribution to the company's performance. I am thankful for their tenacity, commitment and drive ensure that our customers are served every day whilst carrying out the transformation to which we are all committed.

I would also like to express my gratitude to our shareholders, Mubadala and Carlyle, for giving me the opportunity to lead this extraordinary company and help turn it into an Energy Transition Leader. And thirdly I want to thank my predecessor, Philippe Boisseau, who has done a great job over the last two years laying the foundation for the new strategy upon which we will build our future.

An overview of 2021 shows Cepsa's resilience and strong financial performance thanks to continued management focus on efficiencies, operational excellence and an improved market environment which has delivered strong company results.

Our EBITDA rose 53% to €1.8 billion in 2021, a year when the company worked hard to design a long-term strategy that we will soon announce and start executing.

It is important for our people and partners to have a clear understanding of our strategic direction and priorities. Ahead of our strategy announcement, we continue to reshape our organization to provide a solid structure for this next stage. For example, our Executive Committee was recently redesigned to boost areas such as low carbon energy and sustainable mobility, strongly supported by digitalization.

Beyond our financial performance, our safety record also improved over 2020, yet we want to make even more progress in this area, one that we care about deeply at Cepsa. We therefore started a company-wide initiative to significantly improve our safety leadership and outcomes, drawing the circle wide to include mental health.

On the crucial agenda of diversity and inclusiveness, we have approved a new Diversity & Inclusion Policy which establishes commitments to ensure equal opportunities, non-discrimination and diverse talent. And we made solid progress towards our goal of increasing female representation in our senior leadership.

We also designed a substantial intervention to drastically reduce our Scope 1 and 2 carbon footprint in coming years.

As a United Nations Global Compact signatory for the past 15 years, Cepsa continues its strong commitment to the 10 Principles of this initiative. All of our employees are contributing to the United Nations Sustainable Development Goals for 2030 and playing an important role in addressing the decarbonization challenge.

I know that shared purpose and strong values are at the heart of sustainable growth and I believe that Cepsa has what it takes to create the ideal environment for such growth, paying special attention on meeting our commitments to ESG (Environmental, Social and Governance), Transparency, Ethics and Compliance. Now we need to scale up our impact and focus on execution of our plans.

Once more, I would like to place on record my thanks to the people and business partners of Cepsa for helping create such a strong outcome in such a challenging year. With this solid foundation in place, and a winning strategy on the way, I am full of confidence in our future.



01.

ACCELERATING OUR TRANSFORMATION

- 1.1 A new organization to lead the energy transition
- 1.2 2021 milestones
- 1.3 Main indicators



1.1 A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION

The company's new organisational structure places our customers at the centre of our decarbonisation drive, accelerating the transformation to become a leading mobility and sustainable energy business.



Cepsa's new organisation has the following business structure:

- **Mobility & New Commerce:** transforming our customers' mobility experience to lead the electric mobility market and develop New Commerce value chains enabled by our network of service stations, our customer base, digitalisation and artificial intelligence.
- **Commercial & Clean Energies:** it will serve all other customer sectors, including Wholesale/B2B, Aviation, Lubricants, Asphalt, LPG, and Gas & Power, as well as developing decarbonisation solutions for those sectors while overseeing and integrating growth in the Biofuels, Hydrogen and Renewable Electricity (solar/wind) businesses.
- **Energy Parks:** transforming our two refineries into energy parks and managing energy production, including our future sustainable energy solutions such as hydrogen and biofuels.
- **Trading:** integrating, optimising and marketing all product flows to build value across businesses.

The existing Chemicals and Exploration & Production (E&P) businesses will gain autonomy and will be delegated more authority in line with their distinct nature to enhance efficiency and results.

We have also integrated within the Finance department some of the corporate functions that are key to our green turn, such as Strategy, M&A, capital and corporate planning, and ESG, bringing them closer in the interests of portfolio and performance management.





CEPSA'S NEW ORGANISATION

○ Management Committee



This new organisation, staffed by executives with a wealth of energy industry and international experience puts us in an optimal position to lead the energy transition in Spain, and address the trends that are impacting success factors in our sector, such as:

- The accelerating and irreversible drive towards sustainable products, which is stimulating the promotion of a significant new energy business and the reduction of our environmental footprint.
- The increasing distribution and availability of new energy sources, such as solar, wind and hydrogen, impulses renewed customer orientation and agility in digital implementation through the new energy landscape, for future success.

This new organisation aims to keep improving business results and customer experience while driving efficiencies and exemplary safety performance. We are pursuing simpler, more inclusive and intuitive organisational interfaces and cross-dependencies. We prioritise ESG issues on crucial agendas throughout the company.

1.2 2021 MILESTONES

Appointment of Maarten Wetselaar as the company's new CEO.



01

Launch of the first photovoltaic energy network at service stations in Europe together with Redexis.



02

Pioneers in Spain in the use of the new Amazon Web Services technology for predictive maintenance in industrial facilities.



03

We sealed the first major partnership to accelerate electric mobility in Spain and Portugal with Endesa.



04

We celebrated the 20th anniversary of Laguna Primera de Palos as part of our commitment to biodiversity.



05

We launched a new generation of environmentally friendly chemical products to become the industry's sustainability benchmark.



06

We received the Environment Award from the Andalusian Regional Government for our pioneering Detal Technology project in San Roque.



07

We renewed the Top Employer certificate accrediting us as one of the best companies to work for in Spain.



08

Financial Times recognised us as the leading energy company for diversity in Spain.



09

We promoted young talent to address the challenges of the energy transition in the fifth edition of our "Challenging-U" programme.



10

Our company was recognised by Iberian Lawyer for our legal work in the energy and renewables sector.



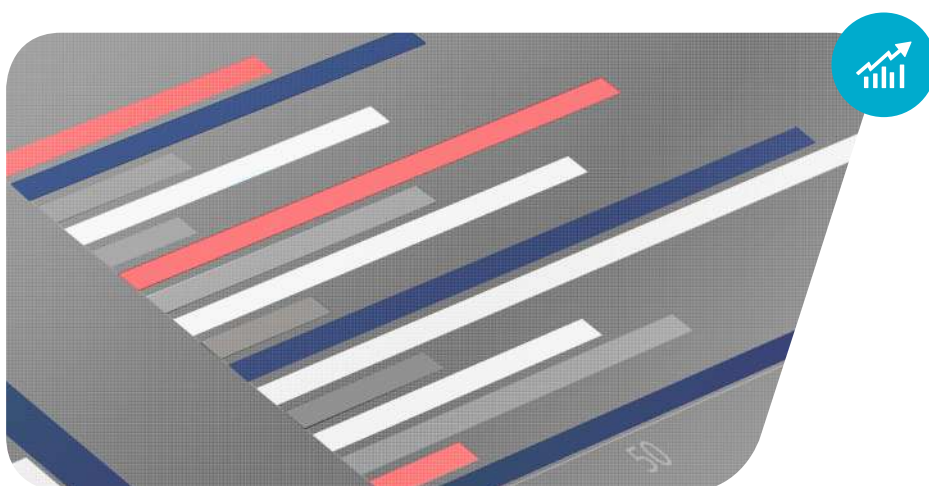
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We have achieved Sustainalytics ESG Industry Top Rated company (currently first company in the "Integrated Oil & Gas sub-industry") and we are in the first quartile of the S&P Global Corporate Sustainability Assessment.



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1.3 MAIN INDICATORS



FINANCIAL INDICATORS

Results (million €)	2021	2020
Revenue	24,532	15,760
Adjusted EBITDA	1,815	1,187
Adjusted attributable profit after tax	310	1
Attributable profit after tax (IFRS)	661	-919
<hr/>		
Financial data (million €)	2021	2020
Share capital	268	268
Equity attributed to parent company	4,170	3,944
Net debt	2,759	2,825

ESG INDICATORS

	2021	2020
GHG emissions (Scope 1 and 2)*	5,831	5,727
Energy consumption (TJ) ¹	67,555	66,886
Total amount of renewable energy generated (MwH)	1,970,275	1,715,500
Volume of water withdrawal (thousands of m ³)	33,393	37,747
Size of protected or restored areas (m ²)	554,700	-
Environmental investments	43,844	15,010
Total Recordable Injury Rate for own personnel (TRIR) ²	1.20	3.92
Number of employees	9,820	9,737
% Women in the workforce	37.2%	36.3%
% Women in managerial positions	25.4%	23.5%
Sourcing from local or locally based suppliers (%)	37.77%	42.60%
Investment in social actions (operational and voluntary) (€)	4,364,416	3,905,189
Requests for ethical advice	134	25

* in thousands of tCO₂eq.

¹ The data refers to the energy consumption within the organization excluding energy generated and sold.

² Total recordable employee incident / actual hours worked X 1,000,000.





02.

A FUTURE-PROOF COMPANY

- 2.1 Value chain
- 2.2 Our activities
- 2.3 Our global presence
- 2.4 SDG commitment
- 2.5 Innovation
- 2.6 Stakeholders
- 2.7 Our customers
- 2.8 A diverse and inclusive work environment
- 2.9 Governance to lead the transition





2.1 VALUE CHAIN

A global company operating throughout the oil & gas, chemicals and power value chain.



EXPLORATION & PRODUCTION

Search, location and extraction of oil and natural gas, both on land (onshore) and at sea (offshore).



TRADING

Supplying raw materials and intermediate products to the refineries, as well as the marketing of crude oil and products directed towards foreign markets.



REFINING

This process, also called "distillation", is conducted at refineries, which transform crude oil, and sustainable feedstock, into products and also into raw materials for other industries.



DISTRIBUTION & MARKETING

There are many green sourced and petroleum derivatives. Among the best known are biofuels, conventional fuels, ship and airplane fuels (including Sustainable Aviation Fuels), butane, propane, lubricants and asphalts. They are distributed and marketed through different sales channels to reach all consumers.



RENEWABLES, GAS & ELECTRICITY

Generation of electricity for our production centers and commercialization of electricity from renewable sources for other industries and companies.



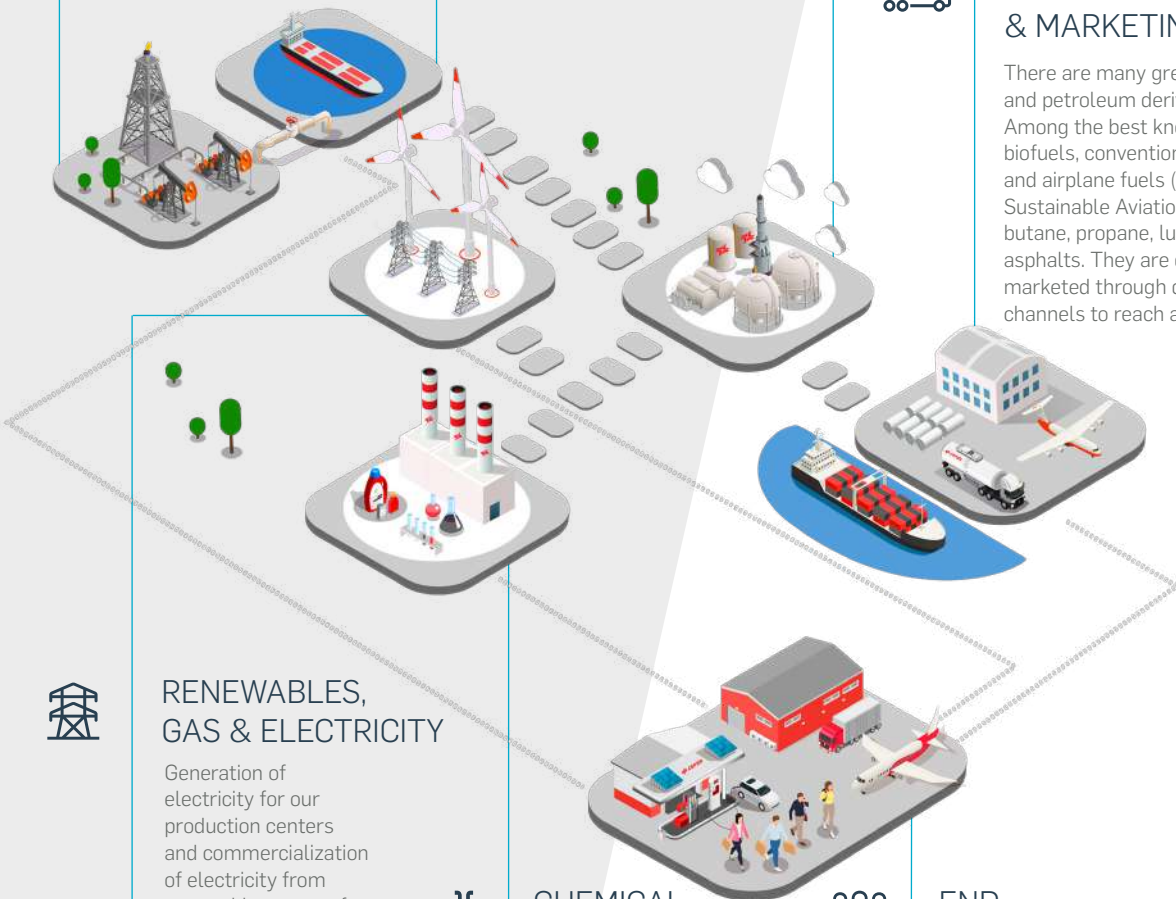
CHEMICAL

Chemical plants produce derivatives that are used as raw materials for the manufacture of plastics, biodegradable detergents, paints, synthetic fibers and more.



END CUSTOMER

We help our customers to reduce their environmental impact by selling more sustainable products.





2.2 OUR ACTIVITIES

2.2.1 Distribution and Marketing



The Distribution and Marketing Unit carries out fuel and special product marketing activities through three main sales channels: a wide network of service stations in Spain, Portugal, Mexico, Morocco, Andorra and Gibraltar, its own direct sales channels and an extensive national and international network of agents and distributors.

MILESTONES 2021



Partnership with Endesa to accelerate electric mobility in Spain and Portugal. In December, a pioneering agreement was signed to enable electric vehicle customers in Spain and Portugal to use both the public charging network that Endesa has already deployed and will continue to expand, and the new ultra-fast charging network that Cepsa will begin to develop next year. This agreement is a giant step forward in our goal to drive the energy transition and decarbonisation of transport and is the first major partnership in this industry.



We are launching the first photovoltaic network at service stations in Europe. In association with Redexis, we have begun to build Europe's first network of renewable-energy-generating service stations. The plan is to complete the installation of photovoltaic panels in our service stations in Spain and Portugal by 2023. By the end of 2021, photovoltaic panels had already been installed in around 80 service stations.



Strategic partnership with Iberia and Iberia Express to decarbonise air transport on a large scale. The agreement, which includes research and flight testing of sustainable aviation biofuels (SAF), also covers other energy alternatives such as renewable hydrogen and electricity, to promote the sustainable mobility of aircraft and ground fleets (supply vehicles, baggage loading and unloading, aircraft support and towing to the runway).



LPG business in Spain and Portugal will operate independently from the Commercial business. The aim is to provide this business with its own commercial, technical and support unit structure so it can undertake an ambitious growth plan in the coming years and compete on better terms through functional specialisation.

■

We market products and services. We are among the leading operators in Spain and Portugal and we compete directly with a broad range of players in the market, from large multinationals to small local operators focused on specific products. We also have a wide network of agents, distributors and transport companies giving us access to all customer types in any location and allowing us to adapt volumes to the needs of our customers at any given time.

Through three channels, we market automotive fuels, aviation fuels, bitumen, lubricants and liquefied petroleum gases. We supply fuels to ships in the main Spanish ports, through our Bunker business, in which we are leaders. We also have companies engaged in aircraft fuelling (intoplane) services and a large range of professional transport services.

Our products and services are tailored to the different needs and realities of our customers through a process of innovation and continuous improvement, making us a benchmark in quality and technological development in many countries. We are prioritising the digitalisation of our industrial, administrative and customer relationship processes as the cornerstone of our future business strategy. Our extensive network of facilities in Spain and Portugal allows us to provide the necessary capillarity for our customers' business development, our priority being to build loyalty and long-term commercial relationships by meeting and transforming our customers' mobility needs.

We operate through our own brands in all business segments. The Cepsa (Spain, Portugal and Morocco) and Red Energy (Mexico) brands, together with our Depaso convenience store franchise, lead our presence in service stations, where we also have third-party franchises that bring a differential and complementary value to our brands. In this commercial segment, we also have the Optima brand, comprising higher quality, more efficient automotive petrol and diesel fuels. In the professional transport and fleet segment, we have the StarRessa card, a market benchmark offering a wide range of services to our customers (fuel, tolls, ferries, insurance, etc.). We also have our loyalty card and programme "Porque TU Vuelves" (Because you return), focused on giving our customers discounts and advantages every time they refuel or buy products or services at a Cepsa service station.

We are the benchmark brand in the marketing of most of our products in the Direct Sales, LPG and Aviation channels, where we also have distinctive products, such as Rendimiento or Agromax, to enhance efficiency. In Lubricants and Asphalts, we have a wide range of products and brands serving all needs and market segments. Examples are XStar, Platinum, Genuine, Ertoil in Lubricants, and Elaster, Cepsasfalt, Flexodur in Asphalts.

Our Bunker business supplies marine fuels to ships via pipelines (dockside), tankers or barges, observing the highest safety and quality standards. We have a broad range of light and heavy products in all ports, with low sulphur emissions. Our main objective is to provide our customers with the best service based on three fundamental pillars: safety, quality and a quantity commitment (flowmeters on tankers).

Future business trends in the Distribution and Marketing of products and services will largely depend on our ability to adapt our production processes, products, services and relationships with customers and suppliers to new needs related to decarbonisation and the energy transition, which are already shaping, and will mark even more in the coming years, the path to be followed by the main market operators.

In this respect, Cepsa wants to position itself as a leading group in this transition, so we have reorganised our Marketing and Distribution business, which will now be structured into two main lines: Mobility & New Commerce, leading and transforming our customers' mobility experience, and the newly created Commercial & Clean Energies, which will serve all other customer sectors and develop decarbonisation solutions for our customers.



2.2.2 Refining

The Refining segment comprises Refining, Trading and Renewables, Gas and Power activities.



2.2.2.1 Refining

The focus of our Refining activity is Spain where we have two refineries in the south of the country which make up 33%¹ of installed capacity in Spain, strategically located next to key maritime ports, and from where we address both local and export demand for refined products.

LA RÁBIDA (HUELVA)

11,1 million tons/year

GIBRALTAR SAN ROQUE (CÁDIZ)

12,4 million tons/year

MILESTONES 2021



Award of the Muelle Sur port terminal tender.

The new terminal will allow us to take advantage of the synergies with the Torre Arenillas terminal with a view to optimising maritime operations, promoting partnerships with leading national and international logistics operators, and enabling export and import activities aligned with our strategies.



In line with our strategy, trials were successfully completed to produce 100% renewable HVO and increase the co-processing of vegetable oils to make 100% renewable diesel (GO).

¹ Installed refining capacity is made up of the capacity of our refineries Gibraltar- San Roque (RGSR) and La Rábida (RLR), and Asfaltos Españoles, S.A.(ASESA) in Tarragona in which we have a 50% interest.

Through the refining activity, crude oil is distilled and transformed into higher-value-added products that can be used in many industries, including the transport, residential, industrial and petrochemicals sectors, thereby enabling society's energy and material needs to be met. The selection of crude oils for this process entails seeking those that are most suitable for our refineries and have an appropriate hydrocarbon content for the various end products that we manufacture.

In 2021, refinery availability and operations continued as normal despite the complications posed by the COVID-19 pandemic.

The future of this activity is conditioned by the refining overcapacity in Europe and by the competitiveness of new refineries outside Europe. Regulation is also a highly influential factor in the industry, where environmental requirements and technical product specifications are increasingly restrictive, including tighter limits on CO₂ emissions and the increased use of biofuels.

In this respect, Cepsa aspires to remain a benchmark energy company in Europe. So we are pressing on with our operational optimisation programmes while maximising biofuel production to cut greenhouse gas emissions.

We are developing various short- and long-term initiatives at our refining facilities to reduce energy consumption through new technology investments.

We are also immersed in a far-reaching digital transformation process to boost refinery competitiveness and lead the industry's technology transition.

We aim to be a major national player in biofuels by maximising our co-processing capacity and production, increasing asset values and forming partnerships to secure supplies of advanced feedstocks.

We also want to become a leader in the green hydrogen value chain by investing specifically to meet both our own process demand and supply demands of industrial green hydrogen in southern Spain, in line with the European Union's ambitious objectives.



2.2.2.2 Trading

The Trading business is key to bringing value to the company, including feedstock sourcing for our production facilities, storage management and the product channel placement, in coordination with all company business units.



MILESTONES 2021



New biofuel trading business line. As part of our new global approach to biofuels, with the aim of further optimising flows and improving market alternatives, in 2021 we launched a biofuel business line which, through optionality, will help us to roll out our strategy.



Growth of our Singapore office. In 2021, the Singapore subsidiary, Cepsa Trading Asia PTE LTD, emerged as a key lever for the management of our crude oil portfolio in this area, as well as for the marketing of naphtha from our refineries, opening up alternative flow options in this market.



We strengthened the Gas, Energy and Environmental Product Trading business line by setting up a specific division integrated with the Gas & Power operations team.

Volatile and interconnected energy markets require value chain optimisation driven by market signals and information to maximise the value of the Trading business. Our Crude and Products Trading business line coordinates product supply activities with the Refining and Commercial businesses, including biofuels. It also manages maritime transport by ensuring compliance with safety procedures, which must follow the guidelines put in place by the Vetting unit responsible for assessing and approving the vessels required in this business.

Gas, Energy and Environmental Product Trading is the Cepsa business line that has access to the wholesale energy, gas and CO₂ markets. This connectivity along the value chain is essential to maximise the flexibility of Cepsa's energy and emissions portfolio.

This year we have focused on recruiting new talent and skills in the different teams to strengthen the transformation process and drive growth in Trading at all levels.

2021 was marked by high volatility and unstable demand for products due to the health crisis, although a global recovery trend was observed. Gas and electricity markets also saw unprecedented volatility in the second half of 2021.

Under these circumstances, and whilst Cepsa has proven its resilience, we were able to take advantage of market opportunities, which contributed to the sound performance of the Trading business in 2021 in the Crude Oil & Products business line while the management of the exposure in the Gas and Power line also allowed us to achieve the company's targets.

2.2.2.3 Renewables, Gas and Power

The activities of the Renewable, Gas and Electricity unit cover the generation and marketing of electricity as well as the import and marketing of natural gas in Spain and Portugal.



MILESTONES 2021



Consolidation in Portugal. In 2021, the unit consolidated its position as a supply company in Portugal with 131 supply points.

The Renewables, Gas and Power business has one combined cycle and seven electricity and steam cogeneration plants at the main production centres (powered by natural gas), which are primarily used to meet internal needs. We also supply gas and power to industrial customers and consumers in the tertiary sector. Our activity is conducted in the Iberian Peninsula, particularly in Spain.

The Renewables, Gas and Power business, in addition to supply activities and services to third parties, supplies other Cepsa businesses, such as Trading and Marketing, and Refining and Chemicals.

The unit's challenge is to increase our volume of activity, with a focus on expanding our renewable generation capacity, in a much more volatile market environment and in activities highly conditioned by regulation.

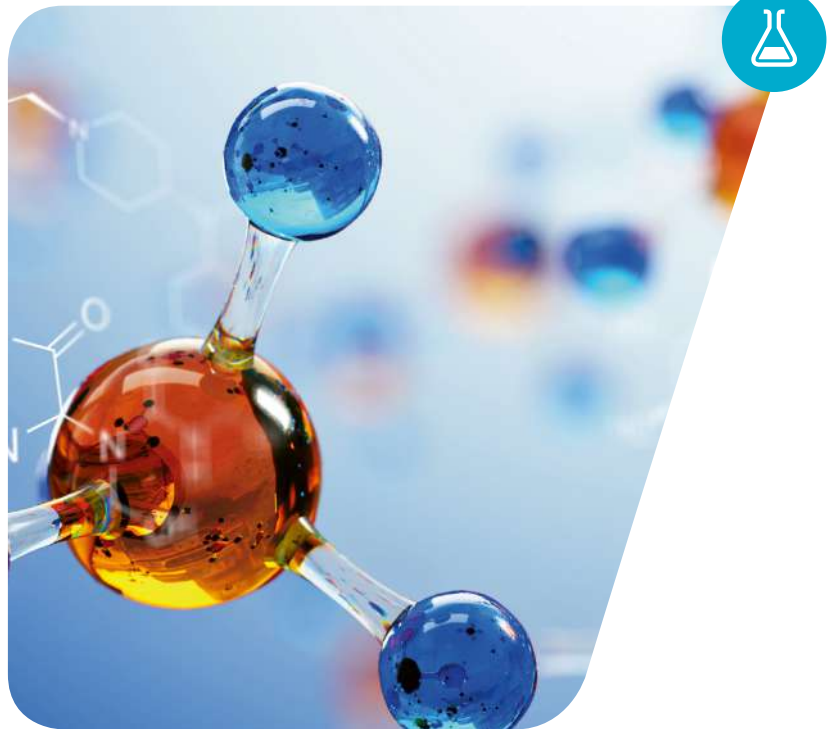
Cepsa is committed to new energy markets with growth potential, such as renewable energies. In particular, our first wind farm, located in the province of Cádiz, has been operational since 2019. It has 11 wind turbines and an installed capacity of 29 MW. Thanks to production at this wind farm, we avoid emitting 32 Kt/year of greenhouse gas emissions (CO₂).

Cepsa is undertaking new renewable power generation projects so as to contribute to the achievement of the decarbonisation and climate change targets announced at European and Spanish level. This portfolio of renewable assets will allow us to cover our green electricity needs and certify the volume of MWh generated from renewable sources.

As far as natural gas is concerned, Cepsa is an importer of gas to the Spanish market, gas supplies being complemented by short-term operations and Trading. The company Cepsa Gas Comercializadora (70% Cepsa Group) supplies gas primarily to industrial customers.

2.2.3 Chemicals

At Cepsa we are world leaders in the manufacture of LAB (linear alkylbenzene) and we rank second in the production of phenylacetone, thanks to our technology leadership in both lines. Our LAB is an essential ingredient in the manufacture of biodegradable detergents and our phenylacetone line supplies all major polymer manufacturers for the automotive, electronics and construction industries.



MILESTONES 2021



The Chemicals business again performed outstandingly, EBITDA having risen 33% in 2020, driven mainly by the positive impact of an enhanced commercial strategy, combined with a sustained trend of record operating performance since 2019.



We are launching a new generation of environmentally friendly products on our way to becoming the industry benchmark for sustainability. The new LABs and sustainable phenols will be produced at the Puente Mayorga and Palos de la Frontera chemical plants, respectively.



At Cepsa, we believe that the energy transition process requires responsiveness, swift management decisions and speedy implementation. This has been achieved by adapting our organisational model to give greater autonomy to the businesses. **As from January 2022, the Chemicals business will operate independently**, providing greater flexibility and speed in decision-making to leverage opportunities in a rapidly changing market.

Our chemical plants in Spain are located next to our refining facilities and process high-value-added feedstocks.

In the current COVID-19 crisis context, our chemical business is a critical, essential industry producing key raw materials for products as necessary as detergents, disinfectant gels, medical materials, face masks, transparent barriers, safety goggles, etc.

We have petrochemical plants in Spain, Canada, Brazil, Nigeria and China, and oleochemical plants in Indonesia and Germany. Our products are used in a variety of ways as raw materials for detergents, resins, electronic components, synthetic fibres and pharmaceuticals, among others.

In the LAB line in particular, we are proud co-owners of the best manufacturing technology available on the market and we are leaders in its industrial implementation (Detal Project at the Puente Mayorga chemical plant). This year, for example, we successfully completed the transformation of our chemical plant, which allows us to increase LAB production and consolidate our leadership by means of a safer, more efficient and sustainable process that optimises the use of raw materials and electricity while cutting emissions, waste generation and water consumption. Puente Mayorga was the first LAB plant in the world to evolve in this way and has become the first chemical plant to employ the latest generation of DETAL technology. The DETAL technology also enhances the quality and versatility of our linear alkylbenzene. The project has received a number of national and international awards highlighting its innovative nature. The contribution made by this unique LAB production method to the circular economy and sustainability has been possible thanks to a major investment in R&D of new products and manufacturing processes, in active collaboration with external centres and universities.

In December we launched a new range of sustainable products, introducing for the first time renewable and recycled raw materials for our two main products, LAB and Phenol. This is a further step towards strengthening our commitment to sustainable development and our ability to meet our customers' environmental objectives. The dedication of our teams and the progress we have made in R&D in recent years have enabled us to develop this new range of products under the NextLab and NextPhenol brands. It will grow in the coming years thanks to all our future products, which will be sustainably sourced and will have an enhanced environmental footprint.



2.2.4 Exploration & Production (E&P)

Our Exploration and Production unit (E&P) carries out oil and gas exploration, development and production activities. We are present in: North Africa, the Middle East and Latin America.



MILESTONES 2021



Implementation of a new organisational model to face the industry's new challenges, consisting of specialised centres of excellence reflecting the E&P business itself.



The RKF Redevelopment project in Algeria moves into the Define phase. The completion of this project will allow us to continue producing crude oil from the RKF field for around 20 more years, which is of vital importance to this business area as it provides sustainability in production, reserves and positive cash flows in the medium to long term.



SARB's Abu Dhabi asset successfully adapts its development plan to achieve higher production than was initially planned and implements a comprehensive operating cost savings programme.

We currently participate in the production of the second largest oil field in Algeria. In Abu Dhabi we form part of a concession that holds exploitation rights until 2058 and in Suriname we have a share in Block 53, located in deep waters and in one of the most prospective areas in recent years, where leading industry companies have discovered large quantities of hydrocarbons in adjacent blocks.

Our portfolio comprises onshore and offshore production, development and exploration assets.

Cepsa plays different roles in these assets as an operator, joint venturer or technical leader partner for non-operated assets. The oil and gas we produce is mainly sold through our trading teams.

During 2021, we continued the cost optimisation process undertaken in 2020 to seek efficiencies and invest very selectively in projects. In the current crude oil price environment, these measures, in combination with the ongoing search for operational excellence, allow the Exploration & Production business to be a cash generator adding financial muscle to the company.

In strategic direction terms, the Exploration & Production business area is focused on maximising the value of the existing portfolio. Under this strategy, investments for the coming five years will be made in our current assets so as to maximise their value and efficiency by leveraging our know-how.

MAIN EXPLORATION AND PRODUCTION ASSETS



ALGERIA

- Rhourde el Krouf (RKF) crude oil field. Located in the Berkine river basin. 49% Cepsa. Joint operation, in production. Onshore.
- Ourhoud crude oil field. Located in the Berkine river basin. 37% Cepsa. Joint operation, in production. Onshore.
- BMS crude oil field. Located in the Berkine river basin. 75% Cepsa. Joint operation, in production. Onshore.
- Timimoun crude oil field. Located in Timimoun river basin. 11% Cepsa. Joint operation. Onshore.



MEXICO

- Three exploration blocks, 16, 17 and 18: located in the Tampico-Misantla river basin. Not operated by Cepsa (20%). Offshore.



SURINAME

- Block 53 offshore exploration, located in the Guyana-Suriname river basin. 25% Cepsa, not operated.



COLOMBIA

In production onshore (crude oil):

- Caracas (70%), located in the Llanos river basin and operated by Cepsa. La Cañada Norte (17%), located in the Upper Magdalena Valley. Not operated by Cepsa.

In exploration and production onshore (crude oil):

- Llanos 22 (55%), located in the Llanos river basin and operated by Cepsa.



PERU

- Block 131: 100% operated by Cepsa onshore, located in the Ucayali river basin.



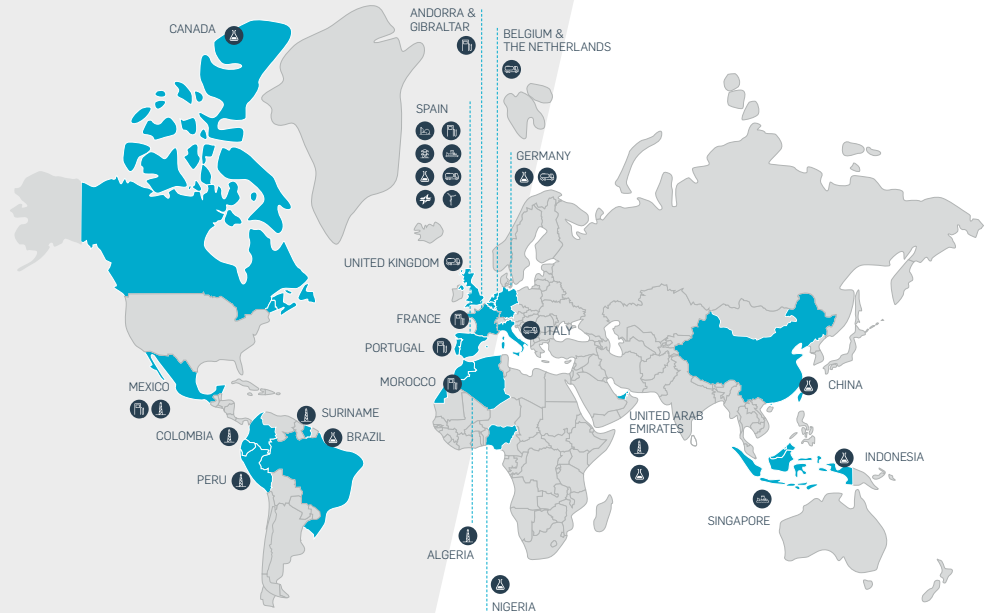
UAE

- Cepsa has a 20% interest in the SARB, UMM LULU, Bin Nasher and Al Battel offshore fields. Not operated, under concession.
- Cepsa has a 13% interest in ADOC through the company CEPAD. Four offshore crude oil fields in production (Uhm Al Anbar, Neewat Al Galan, Mubarraz and Hail), located on the coast of Abu Dhabi. Not operated.



2.3 CEPSA IN THE WORLD

We are a diversified energy company, with around 10,000 professionals in more than 20 countries, working to offer you energy solutions adapted to any situation.



CANADA
Chemicals

MEXICO
Distribution and marketing of petroleum products
Exploration and Production

COLOMBIA
Exploration and Production

PERU
Exploration and Production

SURINAME
Exploration and Production

BRAZIL
Chemicals

UNITED KINGDOM
Distribution and marketing of petroleum products

FRANCE
Distribution and marketing of petroleum products

PORTUGAL
Distribution and marketing of petroleum products

NIGERIA
Chemicals

BELGIUM & THE NETHERLANDS
Distribution and marketing of petroleum products

GERMANY
Distribution and marketing of petroleum products
Chemicals

SPAIN
Refining
Distribution and marketing of chemicals products
Chemicals
Distribution and marketing of petroleum products
Gas and Electricity
Trading
Corporation
Renewable energy generation

ANDORRA & GIBRALTAR
Distribution and marketing of petroleum products

ITALY
Distribution and marketing of petroleum products

UNITED ARAB EMIRATES
Exploration and Production
Chemicals
Corporation

CHINA
Chemicals

INDONESIA
Chemicals

SINGAPORE
Trading

MOROCCO
Distribution and marketing of petroleum products

ALGERIA
Exploration and Production

2.4 SDG COMMITMENT

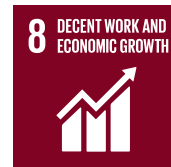


Cepsa's SDG priorities



Goal 7
AFFORDABLE AND CLEAN ENERGY

We want to play a very active role in the energy transition and in preventing climate change. So we have adapted our organisational structure and we are developing a new business strategy aligned with these goals.



Goal 8
DECENT WORK AND ECONOMIC GROWTH

We want to help job recovery and honour our belief in health and safety, diversity and work-life balance.



Goal 13
CLIMATE ACTION



Goal 12
RESPONSIBLE CONSUMPTION AND PRODUCTION

We have the capacity to produce and develop more sustainable products that support the energy transition, prevent climate change and reduce environmental impacts.



Cepsa's contribution to the SDGs

The actions and initiatives that the company has promoted during the year and have had an impact on the goal stated have been highlighted throughout this report by including the relevant SDG icon.

2.5 INNOVATION

As part of our energy transition goals, we are shifting our businesses towards more sustainable models thanks to innovation and digital transformation.



MAIN INDICATORS	2021	2020
Number of ongoing R&D projects	48	46
Percentage of the research centre's projects related to energy transition	44%	32%
Number of R&D partners	70	66
Company professionals with digital skills ¹	790	482
Digital training hours	76,046	57,369
Digital transformation projects ¹	282	190

MILESTONES 2021



Bio-bunker fuel production: development of marine fuel oil formulations applying unusual streams and biocomponents.



META project: feasibility studies on bioprocessing of biomaterials in refineries.



CICLO project: feasibility studies on circular chemicals production through refinery processing of streams obtained from the chemical conversion of plastics.



II Edition of the Cepsa Digital Experience (CDX): a digital transformation upskilling programme for our professionals.

¹ Cumulative since 2018.

2.5.1 Innovating to improve

At Cepsa, we are committed to transforming our businesses with a focus on renewable energy production, biofuel manufacture, green hydrogen, decarbonization and enhanced product circularity. In this sense, we promote projects to develop more sustainable alternatives for our products and services, individually or in association with third parties.

This transformation requires innovative solutions to adapt our manufacturing processes, fostering the use of renewable energy generation technologies.



Through innovation, we will achieve our sustainability and energy transition goals using renewable resources.

OUR RESEARCH CENTRE

Since 1975, we develop powerful research projects for our production sites and business units while providing our customers with technical support, particularly in relation to lubricants and specialities.

We have laboratories, state-of-the-art equipment and pilot plants capable of reproducing the processes we carry out in our production facilities, primarily for refining and chemicals. This has allowed us to create more efficient and environmentally-friendly production processes, develop new fuels and promote high-value projects.

In 2021, we undertook several innovation projects to develop new products for petrochemicals, identifying bio-based alternatives to fossil-based products and seeking ways to shift current production to more sustainable schemes.



MAIN PROJECTS

- Producing advanced biofuels for aviation, road and maritime transport.
- Producing sustainable paraffins from refinery off-gases.
- Bioparaffins production from sustainable plant-based oils.
- Producing sustainable aviation fuels from biomass.
- Direct synthesis of phenol from benzene.
- Evaluating methane (CH₄) as a source of hydrogen (H₂) and carbonaceous materials as a catalyst support.
- Valorisation of Phenol tar² by extracting molecules of interest.
- Studying catalyst regeneration without CO₂ emissions using solvents.
- CO₂ reduction by means of process intensification and reactor redesign.

Intellectual Property management is a key point in our projects aiming to protect our developments and maximize their return. Cepsa owns more than 50 patents in 20 different countries around the world. In 2021, we applied for two new patent families, and seven new patents were granted.

² Heavy by-product of the phenol manufacturing process.

PIONEERS IN REDUCING FUEL EMISSIONS

After pioneering in the elimination of additives with lead content in fuel formulations, we have continued promoting the use of components from renewable sources.

Similarly, after investing to adapt our production processes and using innovative technologies, the content of substances such as benzene and sulphur in our fuels is kept at very low levels.



Moreover, Cepsa has been the first European company producing biofuels by means of co-processing in 2011. This achievement was possible after several years of research and development in vegetable oil raw materials treatment and processing. Nowadays Cepsa produces more than 100 kta of biofuels by co-processing.

KEY PARTNERSHIPS

Cepsa deploys a 360° collaboration strategy with external partners to undertake innovative projects at various levels.

More than 80 Non-Disclosure Agreements were signed in 2021 with different partners (International Research Centres, Startups, Technology Licensors and Corporations, among others) to study new innovative projects.

In 2021, the Cepsa Research Center participated in five different proposals on Carbon Capture and Utilisation (CCU), and solar fuels and plastic waste valorisation, submitted to the Horizon Europe Program.

Two more projects on solar fuels and optimisation of chemical processes with Cepsa as a participant were funded at the national level.

2.5.2 Digital transformation



Thanks to digitalisation, we can expand our business, enter new markets and become more competitive in our existing markets.

We are immersed in a digital transformation process with the aim of becoming a data driven and agile delivery company to facilitate data-driven decision-making by extracting the greatest possible value and using new methods and ways of working that enable innovation processes, continuous improvement, and effective and efficient operations and production processes.

Of particular significance is the publication of the first 'Data-Driven Standard' applicable to the entire company, which ratifies the strategic value of data and analytical algorithms, advocates data democratisation and governance at all levels in the organisation, and reflects the importance of training as a key mechanism to achieve a true corporate data culture. We have also implemented a corporate data governance platform, including roles and procedures for the implementation of data governance operations.

We have 14 cross-cutting themes spanning all our projects to address digital transformation in all the company's areas and businesses.

In 2021, over 92 initiatives were undertaken across the company.



TRANSFORMATION CENTRED ON PEOPLE AND THEIR EXPERIENCE

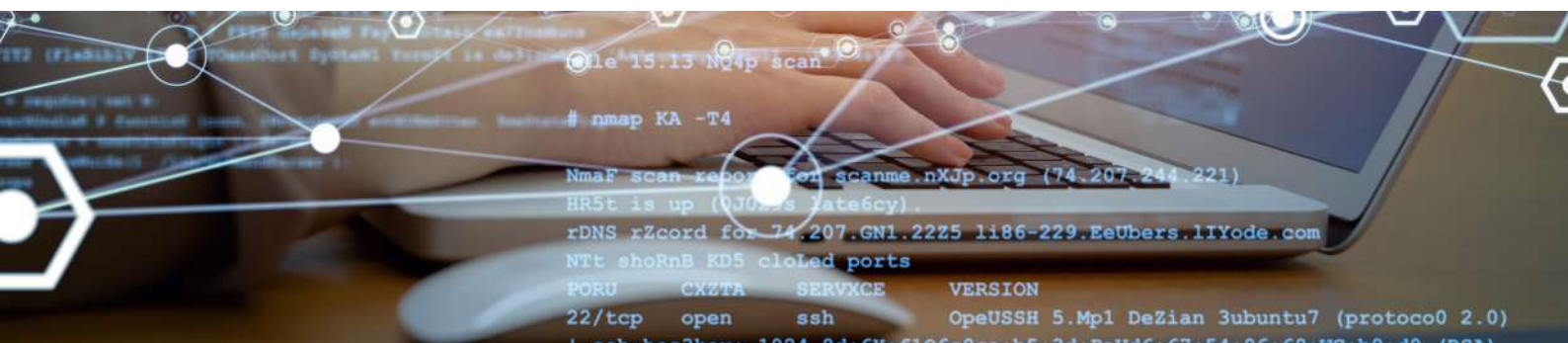
At Cepsa, digital transformation is focused on people and how they use technology and new ways of working to enhance autonomy and bring more value to the company.

Since 2020, Cepsa has had its own CDX (Cepsa Digital Experience) corporate university. The CDX provides experiential training in different technologies and work methods (Data, Artificial Intelligence, IoT & Automation, Technology & Development and Agile & Change Management) to provide professionals with the necessary skills to face day-to-day challenges and ensure that the digital sphere becomes part of all our employees' DNA, thereby accelerating the company's transformation. 745 new students ("hikers") attended in 2021.

Another initiative in this area is the 'Digital Trekking Programme', the first digital training programme launched in association with the Cepsa Foundation and targeting the business sector at the Campo de Gibraltar area, which was attended by over 100 professionals from 30 different companies.

DIGITAL INNOVATION ECOSYSTEM

Digital transformation allows us to create new products and services with a digital component, as well as to play a role in new business ecosystems. This year we have set up the 'Digital Energy Hub' at the Gibraltar-San Roque Refinery (Spain) to spearhead collaboration with private and public entities, as well as being a place to promote professional upskilling and a vehicle for innovation and co-creation of digital products to accelerate digital transformation at our production centres.



2.6 STAKEHOLDERS

Our long-term strategic objectives could not be achieved without the trust of our stakeholders. In this sense, we work to build strong, transparent relationships that bring value to each of them.



Having the trust of our stakeholders and strengthening relationships is a must for the company. With this aim, our management system provides the general action framework and procedures to prioritise and manage relationships so as to mitigate risks and identify opportunities to improve.

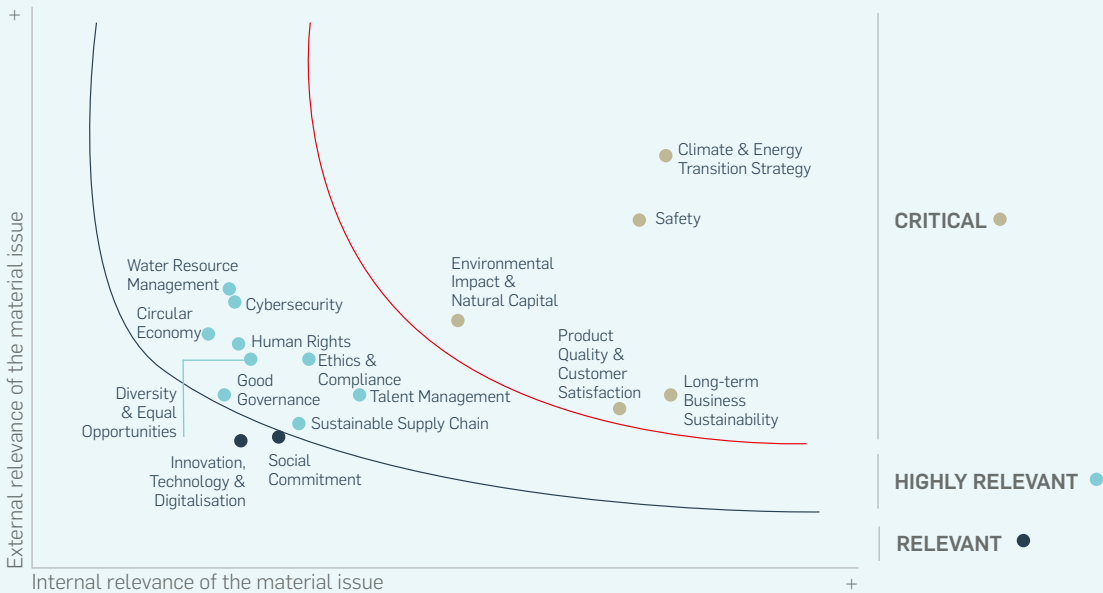
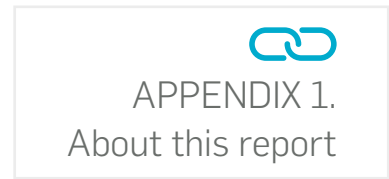
We have a consistent approach to stakeholder identification including yearly consultations of their expectations.

EXPECTATIONS IDENTIFIED AND COMMUNICATION CHANNELS OPEN WITH KEY STAKEHOLDERS

Stakeholders	Needs and expectations identified	Communication channels
Shareholders	<ul style="list-style-type: none"> • Financial and operational performance • Key Investment Decisions • ESG progress • Key Management appointments • Key risks, disputes, and mitigations 	<ul style="list-style-type: none"> • Representation on governing bodies • Specific communications
Customers	<ul style="list-style-type: none"> • Commercial terms • Quality and safety of products and services • Security of supply • Fair treatment 	<ul style="list-style-type: none"> • Satisfaction measurement and complaint handling systems • Customer care service • Service Now • Ethics Channel • Social media • Business website
Employees	<ul style="list-style-type: none"> • Stable, quality employment • Flexibility • Good work environment and conditions • Future strategy and investments • Equal conditions and opportunities • Gender equality 	<ul style="list-style-type: none"> • MAX Virtual Assistant • Ethics and Compliance Channel • Organisational Health surveys • Corporate intranet • Internal communication processes
Society	<ul style="list-style-type: none"> • Environmental impact • Safety of facilities • Discharge and waste management • Contribution to the community and job creation • Impacts of the activity • Collaboration agreements • Good-neighbourship • Social action • Tax 	<ul style="list-style-type: none"> • Community and Neighbourhood Committees • Open days • Public consultations • Email boxes • Local social management teams • Ethics and Compliance Channel • Corporate website • Social media • Trade Unions • Associations, voluntary organisations and initiatives
Suppliers	<ul style="list-style-type: none"> • Commercial terms • Business relationship • Level playing field • Contract and transaction security • Communication • Digitalisation 	<ul style="list-style-type: none"> • Supplier portal on the corporate website • Satisfaction surveys • Email boxes and support centres • Supplier Day • Ethics and Compliance Channel

MATERIALITY ANALYSIS 2021

In 2021, we have prepared a new materiality analysis considering the main stakeholder trends and expectations, the findings being the basis for the contents of this report.



2.6.1 Institutional relations

As regards to the Agenda 2030¹, Cepsa has an annual institutional relations plan allowing us to play a proactive role in the public debate, bolster stakeholder relationships and meet expectations.

The plan includes information initiatives so all our stakeholders can keep abreast of the industry's role and Cepsa's activities undertaken in the interests of an ecological, fair and inclusive transition.

Our institutional activity is complemented by engagement with industry associations whose mission is to promote sustainable contributions to economic and social development. This allows us to use our knowledge to promote studies of interest and drive industry awareness and participation in the ecological transition.

We also take part in various social and environmental think tanks, initiatives or entities working to design and foster industry best practices and policies, collaboration, sustainable development and transparency. The 2021 spending for actions of this kind amounted to €2,157,113.



Involvement with initiatives and entities



¹ Agreement promoted in 2015 by the United Nations and supported by member states that pledge to work towards social inclusion, environmental protection, and sustainable economic growth.

2.7 OUR CUSTOMERS

Cepsa's customers are at the core of our commercial strategy. Our priority in 2021 was to accelerate the energy transition in both operations and our energy solutions while boosting customer satisfaction.



MILESTONES 2021



Strategic alliances with Redexis, Endesa and Iberia to create Europe's first global network of renewable-energy-generating service stations, accelerate electric mobility in Spain and decarbonise air transport on a large scale, respectively.



Customer Experience Project to drive improvement actions and the care provided by our service station staff.



Customer Service Improvement Plan, increasing the net promoter score (NPS) by 4 points compared to the previous year.

2.7.1 Customer relations

We seek to foster sustainable, long-term relationships with our customers. With this aim, we have developed a new 'Customer Relationship Policy' including commitments that enable us to offer a distinctive customer value proposition.

These commitments guide continuous improvement actions and plans addressing customer service and care processes, focused on the following main aspects:

- Offering a sustainable and environmentally friendly value proposition combined with a unique customer experience and high standards of quality, excellence and safety that exceed our customers' expectations.
- Managing customer relationships ethically and responsibly, listening actively to their needs and adapting commercial activities to the socio-cultural environment in each country where Cepsa has operations.
- Investing in new digital, sustainable and mobility solutions that engage customers in energy transition, carbon footprint reduction and the circular economy.

We have also promoted product and service digitalisation through our own digital channels, reserving areas of our website to make them more accessible.

We continuously measure customer satisfaction following interactions with Cepsa by means of specific indicators such as the Net Promoter Score (NPS) and by conducting satisfaction studies through in-depth surveys.

We analyse customer evaluations and comments to discover their needs and expectations before taking action to boost satisfaction and optimise our processes and points of contact, as well as proposing new services to encourage loyalty. Our challenge is to continue improving customer satisfaction and recommendations on a daily basis.



In 2021 we made sure that all health and safety measures were in place in our facilities for our collaborators, professionals and customers.

CUSTOMERS AND THE ENVIRONMENT

Cepsa wants to speed up the energy transition in both our operations and the energy solutions we offer our customers.

For this reason, in 2021, through strategic alliances, we began to roll out Europe's first global network of service stations that generate renewable energy, together with Redexis, and we signed an agreement with Endesa to allow electric vehicle customers in Spain and Portugal to use both Endesa's public charging network and the new ultra-fast charging network that Cepsa will develop starting next year. We have also signed an agreement at the beginning of 2022 to move forward with aviation industry decarbonisation through the development and large-scale production of sustainable aviation biofuels (SAF) from waste, recycled waste oils and other sustainable plant-based raw materials (the so-called second generation biofuels).

We help our customers reduce their environmental impact by marketing more sustainable products. For example, the Óptima range of fuels in our service stations; the Fuel Economy, Hybrids or Biodegradables ranges in the lubricants business; and the Regener range in the asphalt business.

2.7.2 Claims and complaints

Cepsa has communication channels to bolster customer relations. These include web forms, apps, chats, social media, telephone hotlines and email. Through these channels, Cepsa identifies and responds to their needs by answering their queries.



In 2021 we cut claim resolution times by 60% compared to the previous year.

In 2021 we saw an increase in customer queries, requests, incidents and complaints regarding our products and services, as well as operational aspects such as billing and customer service.



2.8 A DIVERSE AND INCLUSIVE WORK ENVIRONMENT

We adapt to new ways of working and encourage the empowerment, development and motivation of our professionals, as well as their commitment to corporate values.



MAIN INDICATORS	2021	2020
Number of employees	9,820 ¹	9,677 ²
Number of employees Women	3,649	3,514
Number of employees Men	6,171	6,163
Employees on permanent employment contracts (%)	90%	93%
New recruits	3,007	1,966
Training hours per employee	37	38
Employees covered by collective bargaining agreement (%)	87.2%	87.4%

MILESTONES 2021



New 'Diversity and Inclusion Policy'. We have approved a new 'Diversity and Inclusion Policy' which sets out the commitments, principles and framework for action to ensure equal opportunities, non-discrimination and diverse talent.



I Worker's Compensation Awards. Our compensation programme has been recognised in the first edition of the Worker's Compensation Awards for its unique modular and integrated approach to meeting the needs of our professionals and promoting their well-being.



Cegos award for Max Planet. Our pioneering artificial intelligence project aimed at facilitating personalised and intuitive people management has been recognised by the Cegos Teams & Talent 2021 Awards.

¹ Data for 69 partial retirees (54 men and 15 women) are not included in 2021.

² Data for 57 partial retirees (43 men and 14 women) are not included in 2020.

2.8.1 Management model

We offer our employees an attractive, differentiated and inclusive employment proposal, and we focus our efforts on their care and support, with the aim of strengthening their commitment to the company's project and strategy as much as possible.



ACKNOWLEDGEMENTS AND INITIATIVES

The development of our people strategy has earned us a number of awards and certifications that recognise the attractiveness of the value proposition we offer our employees.



efr CERTIFICATION AS A FAMILY-FRIENDLY COMPANY

We have a management framework for the reconciliation of personal and professional life based on the EFR (Family Responsible Company) model of the Másfamilia Foundation, which reflects a culture based on flexibility and mutual commitment.

In 2021, we have positioned ourselves as one of the leading companies in the energy sector in this area by improving our rating (B+).



TOP EMPLOYER 2021 CERTIFICATION

We have been recognised as one of the best organisations providing excellent working conditions for our employees by the Top Employer Institute.

We have renewed this certification for the majority of the company's enterprises in 2021.

Other notable awards include:

- **Top Diversity Company:** Intrama ranks us among the Top 30 Companies in Spain most committed to Diversity and Equality.
- **More Equal Pay:** a distinction awarded by the Madrid Region for our commitment to guaranteeing real and effective equal pay.
- **Forbes list** of the best companies to work for.
- **Financial Times:** we have been included in Diversity Leaders 2022 as the first spanish energy company and the fifth company in the country in this ranking.



Integrated talent management model

Ethical principles of respect and inclusion are at the core of the management of our professionals, fostering a sustainable and trusting relationship.

With this in mind, we have designed an integrated talent management model focused on the development of employees throughout their careers. This model allows a unique, distinctive value proposition tailored to the company's diversity.

Our Employer Branding strategy positions us in the market as an employer of reference. We facilitate the management and coverage of vacancies through technological and digital tools such as ATS (Applicant Tracking System), the use of social networks and the continuous updating and adaptation of our corporate employment portal. We also attract young and local talent through various programmes and agreements.

CEPSA'S INTEGRATED TALENT MANAGEMENT MODEL





Key programmes and initiatives

Talent Call: aimed at attracting students and recent graduates. To achieve this, we promote our presence in national and international employment forums, and we collaborate with universities and business schools.

Talent Mobility: an upskilling tool for our professionals through internal mobility programmes and opportunities.

Talent in Motion: a programme to assure and manage the knowledge and skills needed by our professionals, at all times.



In the 2021 edition of Challenging U, aimed at recent graduates, we have encouraged the hiring of female talent, as well as talent with different abilities.

RECRUITMENT INDICATORS

Average length of service	Turnover rate	New recruits	
		% women	% men
12.78	26%	55%	45%

TRAINING AND DEVELOPMENT

We provide our employees with constant support so that they can confidently face the challenges posed by technical developments and the environment in our business activities.

We have a training offer that provides a global and consistent response to needs as they arise and aligns the requirements of each post with each professional's development interests.

INITIATIVES TO PROMOTE PROFESSIONAL DEVELOPMENT



‘Unleash Your Energy’ Leadership Academy. Development and training programme for people who manage teams with the aim of promoting a common leadership style in the company.

‘Management Program’. Executive programme in collaboration with leading business schools targeting our department heads with high potential to develop a strategic vision.

‘Leaders of Tomorrow’ and ‘Women Leaders of Tomorrow’. Training programmes for high-potential employees aimed at senior technicians to take on new responsibilities, in collaboration with leading business schools.

Mentoring / coaching for department heads. Initiatives aimed at professional development through the assignment of a mentor who guides and assists the employee in his or her personal and professional development.

Corporate co-payment solution. We help our employees to develop by partially funding graduate programmes at business schools.

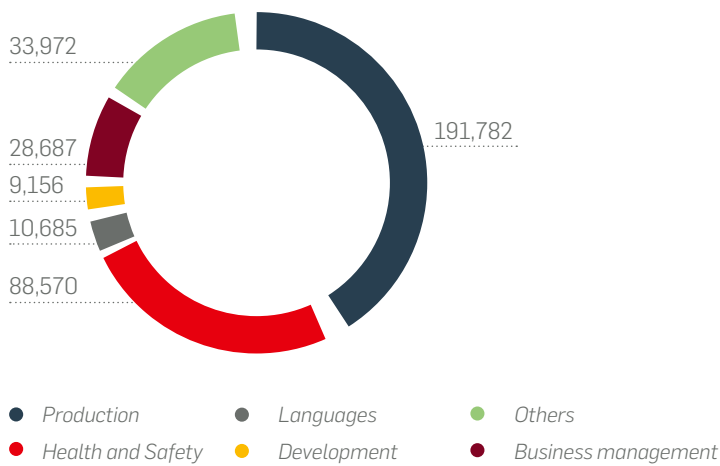
The model is rolled out based on the 70 / 20 / 10 principle: 70% practical experience, 20% mentoring and 10% training. This helps to establish and guide reskilling processes.

To implement this approach to learning, we rely on annual training plans and academies that allow us to maintain and develop the required knowledge. These academies take the form of online campuses and a didactic approach that facilitates professional self-development.

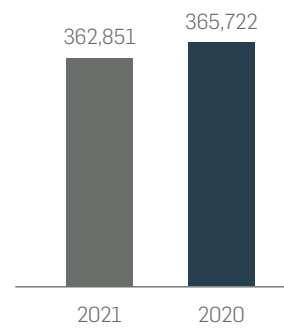




TYPE OF TRAINING



TOTAL TRAINING HOURS



A global ESG training programme has been launched, starting with training on the 2030 Agenda Sustainable Development Goals (SDGs).

MANAGING AND DRIVING PERFORMANCE

The continuous monitoring and evaluation of our employees' performance and capabilities is carried out through our integrated evaluation model, which has tools to guarantee the optimal performance of our professionals:

- **MIDE system.** A tool for effective management of our professionals by boosting and measuring their performance. In this assessment tool, individual objectives are taken into account alongside other aspects related to culture, values or expected professional behaviours.
- **Capacity assessment.** We have defined a framework of consistent, stable criteria that allow us to characterise our employees and guide their professional development by reflecting their attitude and behaviour towards the group and the company's values.
- **The Talent Committees** ensure that potential is identified and a series of development commitments are established so that the team is ready to respond to the company's current and future challenges. The committees meet every two years with a focus on department heads and senior technicians.



Flexibility and work-life balance

Our 'Human Resources Policy' promotes the implementation of flexibility and work-life balance measures as a distinctive aspect of our employment proposal. We also adapt working conditions to the needs of our professionals, the particularities of the activity and the social reality in each area.



Cepsa has renewed and improved its EFR certification (B+ rating).

This commitment translates into the design of flexiworking programmes or initiatives (spatial and temporal flexibility), home working and other labour flexibility measures aligned with each speciality. We are also aware of the growing importance of new technologies in terms of flexibility and work-life balance, which is why we are developing a policy of disconnection from work and good practices, including respect for rest time, leave and holidays, as well as the right to personal and family privacy. We have prepared guidelines on over 100 work-life balance measures applicable to each professional depending on his or her working conditions.

Employee engagement

Our people engagement management process is based on 'Listening to employees' to find out their concerns, in order to define the necessary improvement plans. To do so we use several active listening tools, in 2021 we included an "Organizational Health Survey". This survey is a comprehensive tool diagnosing organizational effectiveness in areas of management, leadership, innovation & learning, work environment, capabilities, motivation, coordination & control, accountability, external orientation.

Organizational Health Survey provides a holistic picture of the organization, asking questions about the level of agreement/frequency in relation to certain areas and behaviors instead of asking about personal attitude and feelings that are typical for engagement and satisfaction surveys, and presents tangible results and improvement points as a baseline for action planning.

This survey will be carried out every 18 months, allowing us to set a course of action in line with the concerns of our professionals.

In addition to the Organizational Health Survey, we conducted several listening initiatives to receive feedback from employees and enhance our management approach:

- **Change management:** driven by the company's transformation process.
- **Ethics:** we launched the third ethics pulse survey to gather employee's point of view on how our company has progressed to build a solid ethical culture.
- **Work-life balance:** assessing knowledge of and satisfaction, providing orientation to develop new programs and measures.

2.8.2 A corporate culture committed to diversity

The new 'Diversity and Inclusion Policy' (D&I) shows our strong commitment to employee diversity, promoting equal opportunities, non-discrimination, diversity and inclusion, as well as an inclusive leadership model. Our observance of the principles of diversity and inclusion is also specified in our 'Code of Ethics and Conduct' and 'Human Resources Policy'.

We have set up the new Diversity and Inclusion Council to promote diversity and a culture of inclusion throughout the company, ensuring a global, cross-organisational approach to challenges and opportunities, identifying best practices and reviewing the progress of projects that contribute to our objectives.

At Cepsa we have zero tolerance for all forms of harassment or violence. We have pledged to uphold human rights by fostering a working environment that respects the dignity of individuals and avoiding at all times any form of harassment, intimidation or violence in any of its manifestations.



D&I PARTNERSHIPS



Inspiring Girls: a volunteer programme to give talks to young people, sharing their professional careers and inspiring them through the experiences of women with a STEM profile (Science, Technology, Engineering and Mathematics).

AEMENER (Spanish Association of Women in Energy): initiative for the promotion and encouragement of the presence of women in all areas of the company.

STEAM – 'Girls in Science': Ministry of Education partnership to promote STEAM vocations in girls and young women.

Empowering Women's Talent: a programme led by Teams and Talent to promote equality and diversity.

Adecco Foundation: through the Aflora Plan, we offer employees in Spain advice on the social and tax advantages of the disability certificate, as well as support throughout the administrative process.

CEOs for Diversity: an alliance to lead and drive diversity and inclusion strategies from the top.

REDI (Corporate Network for Diversity and LGBTI inclusion): an association committed to fostering an inclusive environment regardless of gender identity, gender expression and sexual orientation.

Disjob: membership of the employee portal focused on the integration of professionals with different abilities.

Diversity Charter: extension to 2023 of our charter membership to promote equality and inclusion.



Cepsa has set itself the target of reaching 30% of women in leadership positions by 2025.

To achieve these objectives we have a global D&I strategy with more than 30 annual initiatives, many of which aim to strengthen the role of women within the organisation by focusing on development and promotion policies, and strengthening the recruitment of women through our selection processes. We are also developing plans centred on reinforcing the readiness of women to take on leadership positions, such as mentoring, coaching or training programmes in business schools with specific itineraries for high-potential women.



D&I PROGRAMME HIGHLIGHTS

- **Consolidation of Employee Resource Groups (ERGs)** such as @nex@, Equal and Capaz that address the gender dimension, LGBTI inclusion, and inclusion of persons with disabilities.
- **Listening to employees about diversity and inclusion** with a focus on LGBTI and women's perception of careers and disability.
- **D&I Workshop:** review of progress on D&I objectives and action plans.
- **International D&I days.**



We want to continue to improve in the LGBTI field, ensuring that people can be seen as they are in the workplace, regardless of their sexual orientation and gender identity or expression, fostering a safe environment for all.

INTEGRATION OF PEOPLE WITH DIFFERENT ABILITIES



Cepsa has taken on the objective of reaching 3% of people with different abilities among its own staff and external contracted personnel by 2025.

We are firmly committed to the adaptation of workplaces and accessibility to our facilities in order to make it easier for people with different abilities to access their workplaces and perform their professional duties.

We also have care plans for the families of workers with children with different abilities, through which we promote measures and actions for their social, economic and employment integration.

2.8.3 Remuneration

EMPLOYEE REMUNERATION

Remuneration policies and processes are designed to support our strategy and to foster short- and long-term employee engagement.

These policies are adapted to different levels to reward employees appropriately according to their responsibility, performance and achievement of objectives.

They take into account criteria such as internal equity and external competitiveness, motivation and commitment to the company's values, sustainability and contribution to the achievement of business objectives. These criteria are reviewed periodically in order to update and adapt the remuneration schemes to the company's context and reality.

In 2021, we have established pay records, as required by the applicable regulations, which have enabled us to analyse and monitor the existing pay gap. The company has set aside a special budget to reduce the gap for groups excluded from the collective bargaining agreement.





Considering all of the company's employees, the result of the gross wage gap is 31.13%. However, this figure is very generic as it includes different economic conditions in each of the countries where Cepsa is present. For this reason, a more exhaustive analysis has been carried out for the countries with the highest number of employees, such as Spain, Portugal and Colombia. For these three countries, the gross salary gap was calculated as 30.63%, 23.02% and 10.69%, respectively. Although this figure is high, the adjusted salary gap that compares equal value positions occupied by professionals with similar characteristics, was also analysed resulting in a substantial reduction of 3.56%, 1.64% and -1.90%, respectively. One of the factors with the greatest impact on the gross pay gap is the higher proportion of men in managerial positions in the organisation (executives and heads of department). For this reason, Cepsa has undertaken a commitment to increase the presence of women in these positions through initiatives outlined in the 'Diversity and Inclusion Programme'.



Cepsa has been recognised by the I Workplace Compensation Awards³ for offering its employees remuneration models that reflect the basic pillars of physical, emotional, financial and social well-being.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT REMUNERATION

Board remuneration is regulated by the Directors' Remuneration Policy. The Board is responsible for adopting and periodically reviewing the general principles of this policy.

The Nomination and Compensation Committee is responsible for reviewing and approving senior management remuneration, as well as the policies that regulate it.

The remuneration policy assures a balanced and efficient relationship between fixed and variable components, reflecting responsibilities, dedication and achievement of objectives, oriented towards generating value for the company and prudent risk management.

The remuneration structure of the CEO and executives comprises fixed remuneration, short- and long-term variable remuneration and benefits. Variable remuneration is linked to ESG, company and/or business unit performance targets, and it ranged from 15% to 25% in 2021.

In 2018, the Nomination and Compensation Committee conducted, with the assistance of an expert consultancy, a review of the structure and competitiveness of senior management remuneration policies, concluding that they were competitive and their implementation was satisfactory.

³ Recognition given by RRHH Digital and sponsored by EY, BMW Madrid, Payflow, Compensa Capital Humano and Edenred, as well as the Spanish Association of Human Resources Directors, among others.

2.8.4 Industrial relations

Our 'Human Rights Policy' recognises the importance of respecting the right to freedom of association and participation of workers' representatives as one of the fundamental principles of our relationship with employees. Social dialogue and collective bargaining are the preferred approaches when shaping and developing working conditions at Cepsa.

The Human Resources Department ensures that employees representatives are elected properly, providing the necessary means and showing its support at all times in an agile and coordinated manner.

Through social dialogue and collective bargaining, we establish working conditions that reflect the reality of each post, which allows us to assure a flexible and integrated labour relations framework, with a high level of coordination and participation of trade union organisations and workers' legal representatives.

We have a majority of our own collective bargaining agreements, negotiated with partners directly chosen by our professionals, as a way of adapting working conditions to our culture and to the particularities of the activity.

The Group's I Partial Collective Bargaining Agreement, which covers eleven companies located in different parts of Spain, and the II Refining Collective Bargaining Agreement, which brings our refineries together into a single labour framework, stand out for their relevance and impact in recent years.

Employees covered by
collective agreements

8,564



COLLECTIVE AGREEMENTS ON OCCUPATIONAL HEALTH AND SAFETY

Occupational safety and health has a prominent place in the shaping of working conditions in collective agreements. The company and workers' representatives take steps to foster a culture of prevention and promote healthy habits and environments.

Regular monitoring of the health status of professionals is also prioritised in collective agreements. In 2021, with the constraints posed by the pandemic, actions aimed primarily at managing emotions in line with psychosocial risks have been reinforced.

Finally, these agreements establish the Health and Safety Committees as the competent bodies for consultation on the company's actions in this area.



2.9 GOVERNANCE TO LEAD THE TRANSITION

In 2021, our Board of Directors closely monitored the challenges posed by the global pandemic and the difficult market circumstances. We have also bolstered ESG governance to speed up our sustainable transformation.



MAIN INDICATORS	2021	2020
Number of Board directors (at 31 December)	10	10
Number of Board meetings	7	10
Attendance at Board meetings	96% ¹	100% ¹
% of ESG-related risk indicators in internal risk reporting models	48% ²	56%
ESG risk events out of total risks identified in strategic planning processes	38% ³	46%

MILESTONES 2021



New Strategy and Sustainability Committee: reinforcing advice for the Board of Directors on sustainability perspectives and priorities so they are properly integrated into strategic decision-making processes.



Reorganisation of our corporate policy structure: new policies have been structured, reviewed and implemented to cover all material aspects requiring special attention, particularly those related to ESG.



Methodological review of risk management: review of our management system to align it with industry best practice, particularly with regard to impact quantification and climate change risk assessment.

¹ 95% personal attendance in 2021, only one director having been absent from the meeting of 28 July (representation was delegated) and two from the meeting of 13 December (representation was delegated).

² Update of ESG risk categories in line with the new risk procedure taxonomy.

³ Update of ESG risk events in line with the new risk procedure taxonomy.

2.9.1 Good governance

Cepsa's corporate governance model ensures compliance with strict principles of ethics, integrity and transparency. It is in line with reference standards, such as the 'Good Governance Code of Listed Companies' in Spain, as well as with international best practices.

We have reviewed our regulatory system in depth, including the Code of Ethics and Conduct and our corporate policies developing the principles of our governance model and setting out behavioural guidelines. In 2021, we updated and renewed our policy architecture under a framework of environmental, social and governance criteria reflecting the latest regulations applicable to our businesses.

Our new 'Sustainability Policy' responds to the latest social, energy and climate challenges and is cross-cutting and inclusive, setting out the principles on which all our other policies are based.

Our policy framework is structured as follows:



1. Strategic mission and regulatory framework

Bylaws, Purposes and Values

2. Compliance

Code of Ethics

Code of Ethics and Conduct

3. Policies

Sustainability

Sustainability Policy

Environment

- HSEQ
- Climate action
- Biodiversity

Social

- Human rights
- Human resources
- Diversity and inclusion
- Responsible and sustainable procurement
- Customer relations

Corporate

- Data protection and privacy
- Protection of fair and effective competition in markets
- Prevention of bribery, corruption and conflicts of interest
- Taxes
- Third-party due diligence
- Ethics and Compliance Channel
- Crime prevention
- Cybersecurity
- Binding parties
- Security

Governing bodies

Our main governing bodies are the General Shareholders' Meeting, the Board of Directors and three Board Advisory Committees.

The General Shareholders' Meeting comprises the company's shareholders on the basis of their ownership interests. It is the highest governing body together with the Board of Directors.

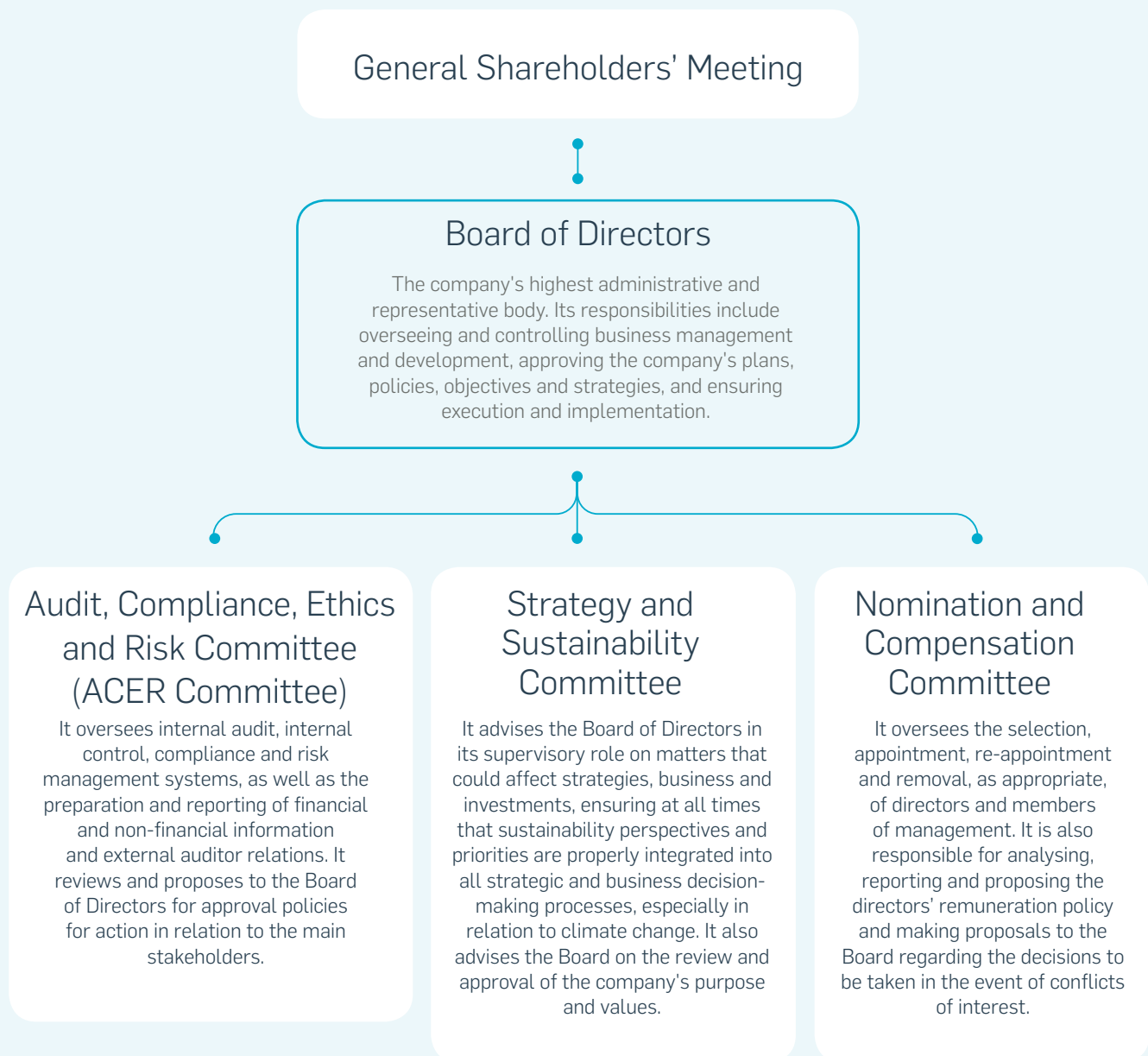
Cepsa's shares are mainly held by two shareholders: Cepsa Holding, LLC, which owns 61.36% and is controlled by Mubadala Investment Company, and Matador Bidco, S.A.R.L., which holds the remaining 38.41% and is controlled by The Carlyle Group, Inc.

GOVERNING BODY STRUCTURE

Our governance structure distinguishes supervision and control functions from leadership and effective management.



GOVERNING BODY STRUCTURE



The Compliance and Ethics Operating Committee, which reports to the Audit, Compliance, Ethics and Risk (ACER) Committee, is primarily responsible for overseeing compliance with internal regulations and codes of conduct and legislation currently applicable, particularly in the following areas: tax, market regulations, data protection, free competition, intellectual and industrial property, prevention of money laundering and terrorist financing, anti-bribery and anti-corruption, crime prevention, sanctions and seizures, and trade and internal controls. It also coordinates the information to be reported to both the Management Committee and the ACER Committee.

SELECTION OF GOVERNING BODY MEMBERS

The General Shareholders' Meeting has the power to appoint, re-appoint and, where appropriate, remove directors, based on recommendations made by the Nomination and Compensation Committee.

The Nomination and Compensation Committee is responsible for selecting suitable candidates to take on the responsibilities inherent in a directorship¹.

Both our directors and, where appropriate, potential candidates for these positions are professionals of proven integrity whose conduct and professional track record is aligned with the principles of our Code of Ethics and Conduct and with Cepsa's vision and values.

They are selected on the basis of their knowledge and experience in the energy, finance or industry sectors, dedication and diversity considerations. At Cepsa we also provide support and training so that new directors can acquire the necessary knowledge and skills to fulfil their responsibilities. We have upskilling programmes in areas of particular relevance such as cybersecurity or the application of new auditing standards.



¹ Cepsa has separated the offices of Board Chair and Chief Executive. The Chairman is an external nominee director representing the majority shareholder Mubadala. The Chief Executive Officer is elected by the Board of Directors and unrelated to the principal shareholders represented on the Board.

Composition of the board of directors and board committees

The Board of Directors is currently formed by 10 directors appointed for a period of six years, who may be re-appointed one or more times, as stipulated in the Bylaws. Of the 10 members, one is an executive, eight are nominee directors (reflecting the current shareholder structure) and one is an external independent director.^{2,3,4,5,6}

Name	Board of Directors	Level	Audit, Compliance, Ethics and Risk Committee	Nomination and Compensation Committee	Strategy and Sustainability Committee	Director type	Length of service	Forms part of a minority social group	Competencies related to economic, social and environmental impacts	Stakeholder representation
Ahmed Yahia ^{***}	Chair	Non-executive			Chair	Nominee	From 04/02/2021	No		Majority shareholder
Marcel van Poecke	Vice-Chair	Non-executive		Member	Member	Nominee	From 15/10/2019	No		Minority shareholder
Philippe Boisseau ^{***}	Chief Executive Officer	Executive			Member	Executive	From 15/10/2019	No	Yes	
Musabbeh Al Kaabi	Director	Non-executive				Nominee	From 26/04/2017	No		Majority shareholder
Ángel Corcóstegui	Director	Non-executive	Chair			Independent	From 01/02/2016	No		
Alyazia Al Kuwaiti	Director	Non-executive		Chair		Nominee	From 18/01/2016	No		Majority shareholder
Saeed Al Mazrouei	Director	Non-executive	Member		Member	Nominee	From 13/11/2018	No		Majority shareholder
Joost Dröge	Director	Non-executive			Member	Nominee	From 15/10/2019	No		Minority shareholder
Marwan Naim Nijmeh	Director	Non-executive		Member		Nominee	From 15/10/2019	No		Majority shareholder
Bob Maguire	Director	Non-executive	Member			Nominee	From 15/10/2019	No		Minority shareholder
Jörg Häring	Non-voting Secretary		Secretary	Secretary	Secretary		From 07/06/2021		Yes	
José Téllez	Non-voting Vice-Secretary		Vice-Secretary				From 24/10/2014			

² The two principal shareholders, Mubadala and Carlyle, which together hold almost 100% of share capital, have a majority of Board representation (eight out of 10 directors), thus ensuring alignment with their long-term interests.

³ Cepsa does not establish a maximum number of boards to which external directors may belong, and seven of the 10 directors sit on four or fewer boards.

⁴ Cepsa does not have an independent Board evaluation process in place. However, there is an Audit, Compliance, Ethics and Risk Committee self-assessment process. The findings were satisfactory in 2021.

⁵ Cepsa does not have a published diversity policy.

⁶ There is no requirement as to the maximum number of boards on which external directors may sit. According to the 2021 Management Report, seven of the 10 directors sit on four or fewer boards.

^{*} The Chairman of the Board of Directors, Ahmed Yahia, is an external nominee director representing the principal shareholder Mubadala Investment Company PJSC and is therefore not an executive.

^{**} On 4 February 2021, the director Bakheet Al Katheeri resigned from all his positions on the Board of Directors and the chairman, Musabbeh Al Kaabi, resigned as chairman while continuing to hold a directorship. On the same date, the General Shareholders' Meeting appointed Ahmed Yahia as a Board director and subsequently as Chairman of the Board.

^{***} On 31 December 2021, Philippe Boisseau resigned from all his positions on the Board of Directors and in the company. By means of the respective resolutions of the General Shareholders' Meeting of 31 December 2021 and the Board of Directors of 1 January 2022, Maarten Wetselaar was appointed as a Board director and as the new Chief Executive Officer with effect as from 1 January 2022.

Cepsa's management bodies

Cepsa has two main committees to manage operations: the Management Committee and the Investment and Contracts Committee:

- **The Management Committee** is the executive body responsible for the day-to-day management of all businesses, for organisation and strategic coordination, and for ensuring the integration of economic, social, environmental and ethical aspects in all decision-making processes at the highest level. This committee, chaired by the CEO, is formed by the heads of the business lines and cross-organisational areas.
- **The Investment and Contracts Committee** is responsible for reviewing and making decisions on significant contracts, organic investments and merger and acquisition investments, exercising powers delegated by the Board of Directors. It also monitors the progress and status of ongoing investment projects, and takes decisions relating to budget deviations for projects within its scope.

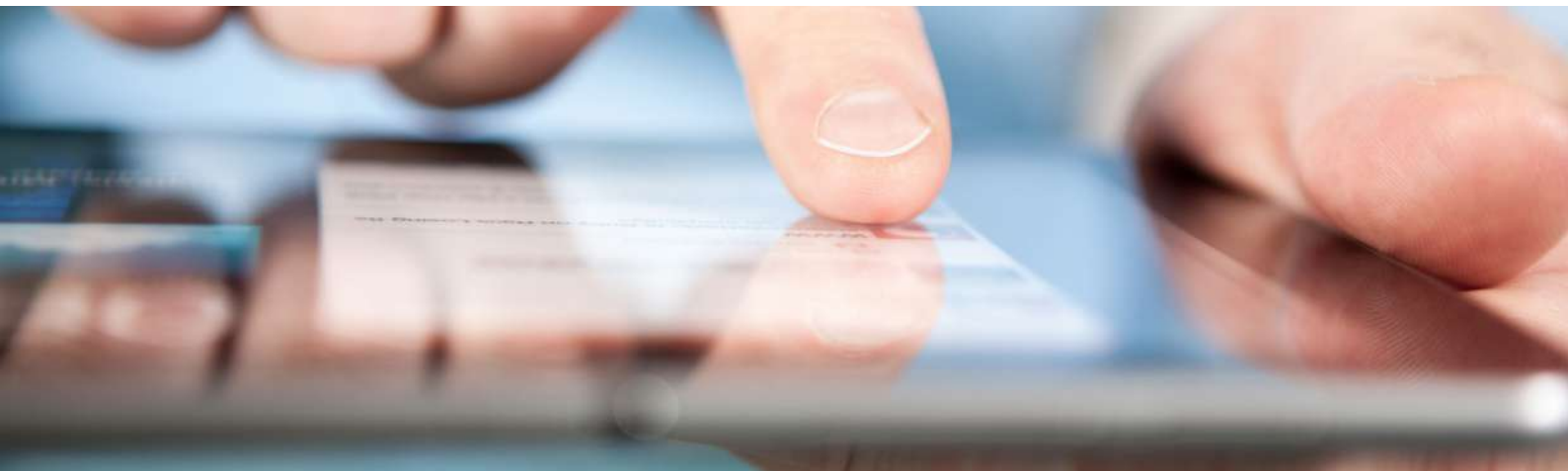
2.9.2 Governance and ESG management



We aim to become a leading player in sustainability so as to contribute to the ecological transition and respond proactively to our stakeholders' expectations.

In 2021, we strengthened our management approach in this area by:

- Setting up the Strategy and Sustainability Committee to ensure that sustainability priorities and perspectives are part of decision-making processes.
- Making the Nomination and Compensation Committee responsible for aligning the establishment and achievement of the company's ESG objectives with our remuneration schemes.
- Boosting the functions that the Audit, Compliance, Ethics and Risk Committee had been carrying out in relation to ESG aspects.
- Reorganising the policy structure to cover all material ESG matters.



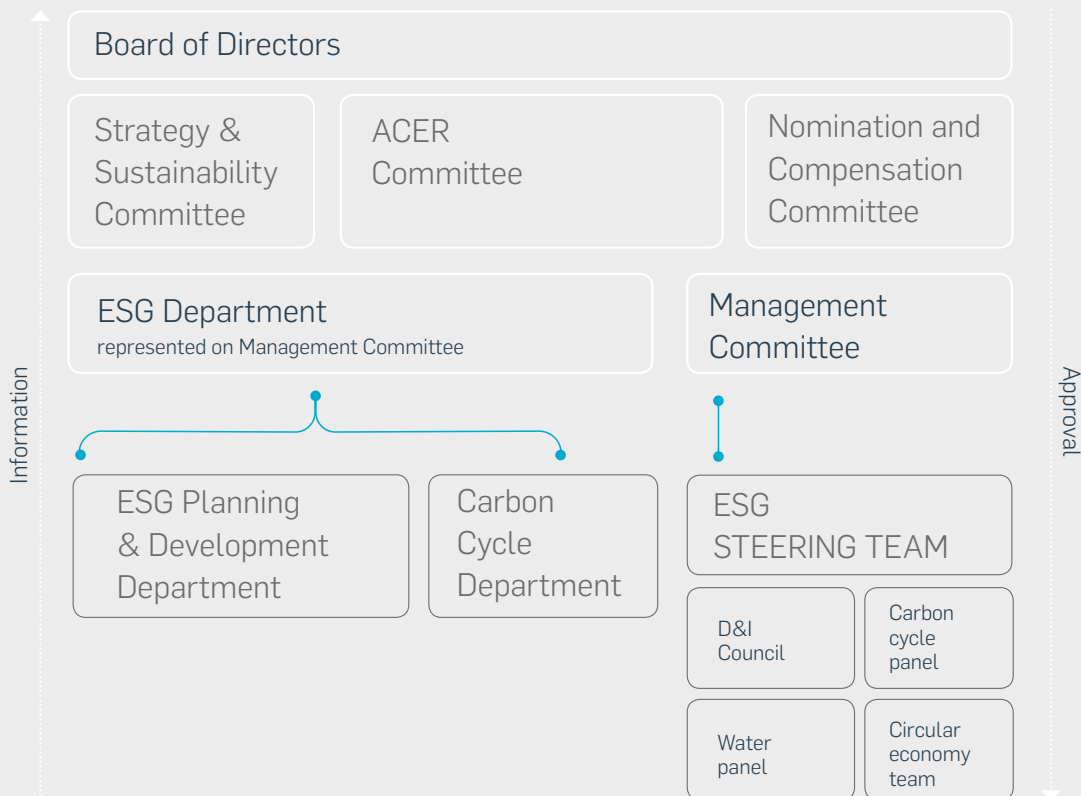
Our ESG department, which is represented on the Management Committee, is responsible for managing all these aspects so as to accelerate the shift towards a more sustainable approach and improve our positive contribution to society. This department has two areas, the Carbon Cycle area and the ESG Planning and Development area. It is responsible, together with the other bodies that have been set up, for providing the Management Committee with specific recommendations.

We have an ESG Steering Team representing the businesses and various corporate functions through their directors, with which we shape ESG management as a high-level responsibility shared across the company. The Carbon Cycle Panel, made up of technical and scientific positions at the highest level throughout the organisation, is responsible for structuring the company's climate change commitment and ensuring related management initiatives are coordinated across all our businesses. These bodies are coordinated by the ESG department.

Three new committees or work groups have been created this year to promote the company's performance in the areas of diversity and inclusion, water management and the circular economy.



ESG STRUCTURE



2.9.3 Risk management

RISK MANAGEMENT APPROACH

Our 'Integrated Risk Management System' (IRMS) is in line with COSO-ERM and ISO 31000. It defines the general framework, as well as the principles and procedures to be followed, to efficiently manage risks of any nature.

During 2021, we undertook a methodological review of our risk management approach in order to progress further in creating a better, more consistent quantification of the impact of risks in order to be aligned with industry best practices, including climate change risks.

Our strategic planning process is underpinned by an analysis of the main risks to which the company is exposed, including potential new emerging risks. We estimate the probability, impact and speed of occurrence of risks. This is achieved by reviewing external sources and cross-checking the information with our business and corporate units to assess impacts.

The main phases of our integrated risk management process are as follows:

- Establishing the external and internal contexts, and evaluation approach.
- Identifying risks and redefining the risk universe in 2021 so as place particular emphasis on those that may have an impact on sustainability, including climate change risks.
- Analysing and assessing risks, including causes, sources and consequences.
- Treating the risk based on relevance and on responses to minimise probability of occurrence or potential impact.
- Regularly monitoring and reviewing risks.

The spectrum of risks to which the company is exposed can be classified into four broad categories, which include properly identified ESG risks:

- **Strategic risks** related to general contextual factors, positioning and strategic planning, including risks in connection with politics, the economy, technology, etc.
- **Financial risks** arising from the variability of basic raw material prices and other financial variables, from hedging and trading, and from economic, financial and tax management.
- **Operational risks** associated with value chain management, the effectiveness and efficiency of operations, management of resources and people, safety of people and facilities, the environment and asset integrity.
- **Compliance risks** related to governance and compliance with legal requirements and commitments made, as well as the management of legal affairs.



APPENDIX 2. The company's main risks





RISK MANAGEMENT GOVERNANCE

The risk management system's governance model and organisational structure is designed around the three lines of defence model. The aim is to provide an integrated view of how the different parts of the organisation interact in an effective and coordinated way, increasing the efficiency of the company's risk management and control processes.

The Board of Directors is ultimately responsible for the proper functioning of the 'Integrated Risk Management System' (IRMS). It approves the 'Risk Policy' and relies on the Audit, Compliance, Ethics and Risk Committee to develop and oversee implementation.

The Management Committee promotes company-wide compliance with the established risk tolerance level and risk management in line with the 'Risk Policy'.

The Corporate Risk Unit is in charge of proposing, developing and implementing risk policies and establishing common methods and tools to ensure that the criteria and approach are consistent across all business units and corporate functions.

The business units and corporate functions identify, analyse, assess and manage risks, as well as implementing action plans coordinated by the Risk in the Business Units.

EMERGING RISKS

We monitor and analyse emerging risks as part of the risk analysis that accompanies our strategic planning. Some examples are the growing sophistication of cyber-attacks due to the continuous emergence of new types of ransomware, supply chain disruptions, talent management issues that may be caused by the post-pandemic era and the return to normality in work environments.

The main emerging risks we have identified over the last year, in line with the latest Emerging Risks reports published by Gartner, include:

- **New types of ransomware.** The proliferation and sophistication of increasingly efficient and specialised attacks and, in particular, data hijacking models affecting relevant information, can increase a company's vulnerability to such attacks and cause operational disruptions or information leaks. For this reason, we make sure that protection of our own and our suppliers' information and operating systems is robust and permanently updated. We also have a programme in place to promote a risk prevention culture.
- **Fragility of the supply chain, raising doubts as regards the current economic model of delocalisation and globalization.** This operational risk, which could impact supply continuity, was aggravated in 2021 due to a number of geopolitical and social factors giving it a global scope and dimension⁷. Growing obstacles due to geopolitics, increasingly extreme weather events and permanent supplier closures make supply chain risk more uncertain going forward. The potential impact of this risk on the company would be a delay in the receipt or increase in the cost of components and/or raw materials. We mitigate the effects by means of continuous, multidisciplinary monitoring of our supply chain, identifying critical components and materials, and reviewing supply contract clauses and templates.

⁷ Congestion in ports due to the impact of COVID-19 but also due to the larger size of vessels, increased global demand, higher fuel prices and the high cost of some components, which increased the cost of transport and were passed on in cargo prices, as well as causing re-routing delays.

RISK CULTURE

The Board of Directors drives risk management in our company. Cepsa's risk level is defined and decision-making is delegated to the Management Committee based on the established risk tolerance level.

The risk culture is encouraged and fostered throughout the organisation by means of internal training programmes, workshops on investment project analysis processes and the improvement of management tools.

The Corporate Risks area promotes specific workshops in which global and cross-organisational risks are identified, assessed and discussed with senior management, and more relevant and specific risks with each business. Other examples are the training actions carried out over the last year on operational health and safety, cybersecurity and compliance.

2.9.4 Internal control system

Cepsa has an internal control system implemented under international best practices, mainly the methodologies laid down by COSO, the international standard on assurance engagements (ISAE 3000), international standard on criminal compliance management systems (ISO 19600) and anti-bribery and anti-corruption management standard (ISO 37001).

The following control models are audited and certified annually by the Audit, Compliance and Risk department:

- Internal Control over Financial Reporting (ICFR) system.
- Internal Control over Non-Financial Reporting (ICNFR) system.
- Crime Prevention Model (CPM).
- Anti-bribery and anti-corruption model.

The internal control system is based on a combined assurance approach using the IIA's (Institute of Internal Auditors) three-line model updated in 2020. It provides an integrated view of how the different parts of the organisation interact in an effective and coordinated way, allowing more efficient management and internal control of the entity's relevant risks (for more information see Appendix 3 Internal Control System), and the model's design and effectiveness is assessed annually prior to certification.

During 2021, the internal control system was aligned with all the process and organisational changes. The Internal Control System over Non-Financial Reporting system was further improved so as to assure the fair presentation of the information set out in the Integrated Management Report from the moment preparation begins, as well as to control the preparation of information for the new indicators required by law in the 2021 report.

In 2021, following the design review and the efficiency project, the number of controls was cut from 1,034 to 998, of which 440 are regarded as key controls.



APPENDIX 3. Internal Control System



MAIN ASPECTS OF THE INTERNAL CONTROL SYSTEM



OVERSIGHT OF INTERNAL CONTROL AND THE 3-LINE MODEL

OVERSIGHT OF INTERNAL CONTROL

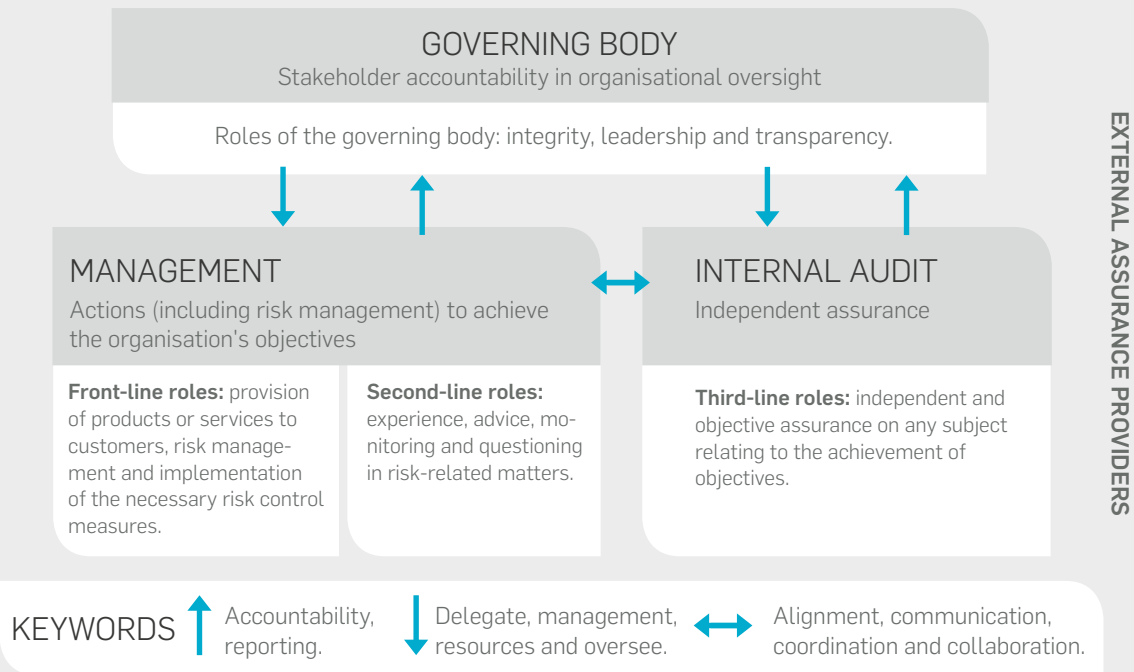
BOARD OF DIRECTORS

Approves the risk control and management policy and oversees internal information and control systems. Ensures an internal control environment conducive to the generation of reliable, complete and timely financial information.

AUDIT, COMPLIANCE, ETHICS AND RISK (ACER) COMMITTEE

Performs the delegated function of supervising internal control systems and advising the Board of Directors on all matters relating to risk management, internal control, compliance and internal audit systems.

3-LINE MODEL



CERTIFICATIONS AND REFERENCE FRAMEWORKS

- COSO methodologies (2013)
- ISAE 3000 (International Standard on Assurance Engagements)
- UNE 19601 (Crime Prevention Model Certification)
- ISO 37001 (Anti-Bribery and Anti-Corruption Model Certification)



INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) AND NON-FINANCIAL REPORTING (ICNFR) SYSTEM

CONTROL OBJECTIVES

ICFR: To provide reasonable assurance regarding the reliability of financial information disclosed to the markets.

ICNFR: To provide reasonable assurance regarding the completeness and accuracy of the non-financial information disclosed in the Integrated Management Report.

MECHANISMS

Internal control manual for identifying and assessing risks, control objectives, the control structure (general, process, information systems) and the segregation of duties.



CRIME PREVENTION MODEL (CPM)

CONTROL OBJECTIVES

To prevent crime within the company.

MECHANISMS

Crime Prevention Policy, Crime Prevention Manual, set of rules and procedures for identifying and managing criminal risks using internal controls.



ANTI-BRIBERY AND ANTI-CORRUPTION MODEL

CONTROL OBJECTIVES

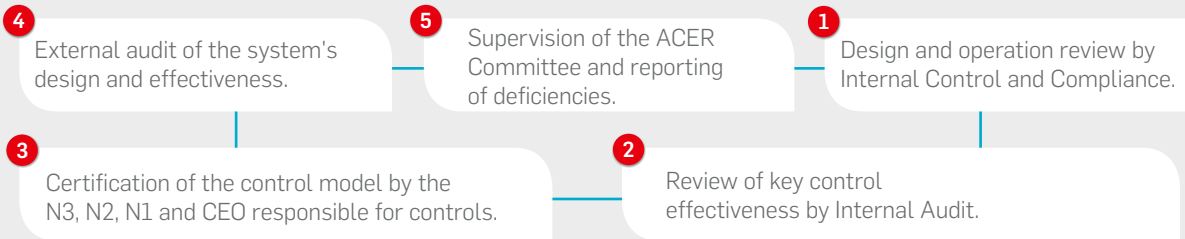
To prevent risks related to bribery and corruption.

MECHANISMS

Anti-bribery and anti-corruption policies in the public and private domain, Crime Prevention Manual, general controls such as the segregation of duties and specific process controls.



OVERSIGHT APPROACH



CERTIFICATION FOR INTERNAL AUDIT, COMPLIANCE AND CORPORATE RISKS DEPARTMENT PROFESSIONALS

Certified Information Systems Auditor (CISA)(1 person)
 Certified Internal Auditor (CIA)(1 person)
 COSO Enterprise Risk Management (5 persons)

COSO Internal Control (13 persons)
 Internal Audit Evaluation Technician (1 person)

**INTEGRATED
MANAGEMENT REPORT
2021**



03. WE ADVANCE IN SUSTAINABLE PERFORMANCE

- 3.1 Climate change management
- 3.2 Reducing our environmental impact
- 3.3 Human rights
- 3.4 Health and safety of people and facilities
- 3.5 Sustainable supply chain
- 3.6 Commitment and contribution to social development
- 3.7 Transparency and fiscal responsibility
- 3.8 Ethical management



3.1 CLIMATE CHANGE MANAGEMENT

In 2021 we focused on driving forward the company's climate change strategy by preparing the '2030 Decarbonisation Plan' and improving our climate change management and financial impact reporting.



MAIN INDICATORS	2021	2020
CO ₂ emissions (Scope 1), thousand tonnes of CO ₂	5,235	5,163
CO ₂ emissions (Scope 2), thousand tonnes of CO ₂	596	564
CO ₂ emissions (Scope 3), thousand tonnes of CO ₂	71,320	53,575
Energy consumption (TJ) ¹	67,555	66,887

MILESTONES 2021



'**2030 Decarbonisation Plan**', drawn up by the Carbon Cycle Panel following a risk analysis and approval by the Investment Committee of the basic engineering for the first 25 energy efficiency projects.



Adherence to the World Bank's Zero Routine Flaring initiative, through which we actively pursue economically feasible solutions aimed at reducing routine gas flaring in our operated oil and gas fields.



Carbon Footprint certification under ISO 14064 completed for all our upstream operated or joint venture assets included in the scope of this report, together with the rest of our facilities in Spain.



Progress with transport decarbonisation under new agreements on electric mobility and natural gas for road transport, making new energies available to our customers through our network of service stations, as well as in air transport, by developing sustainable biofuels for aviation (SAF).

¹ The data refers to the energy consumption within the organization excluding energy generated and sold.

3.1.1 Management approach

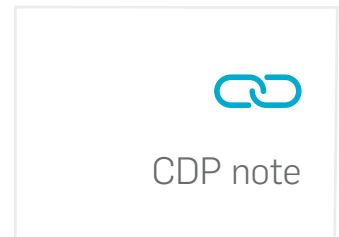
We materialise our commitment to contribute to climate change mitigation through the Carbon Cycle Panel, an interdisciplinary group responsible for assessing and integrating the best technologies in our processes and developing more sustainable products.

This commitment is reflected in the approval of our Climate Action Policy setting out the parameters that guide our strategy and business model to address the energy transition and help build a low-carbon economy.

CLIMATE CHANGE MANAGEMENT AND FINANCIAL IMPACT

As we are aware of the significance of climate change performance to our investors and other stakeholders, we analysed our climate change management and financial impact reporting following the Recommendations of the Task-Force on Climate-related Financial Disclosures (TCFD) so as to identify the gap with industry best practice. The current report includes some of the recommendations arising from this analysis, while the reporting of the financial impact under our company's long-term climate scenarios is planned for 2022.

Through our involvement in the CDP Climate Change initiative, we also report on the climate change management practices implemented and the associated main performance indicators.



We maintained our A-rating in the 2021 CDP Climate Change initiative.

We have also developed a governance model that assigns specific responsibilities to various bodies and committees at the highest level of company governance.

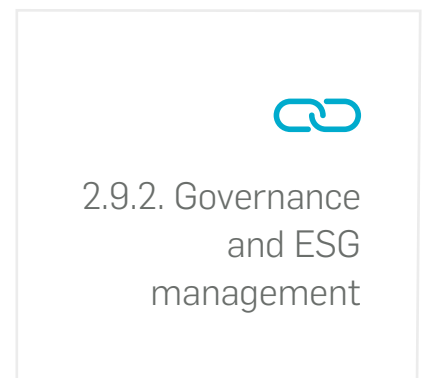
3.1.2 Climate change governance

Climate change entails various risks and opportunities for the company's activities and businesses. To ensure proper oversight, within the framework of the company's governance model, specifically our ESG governance described previously, specific responsibilities are attributed to the highest governance bodies and committees.

The Board of Directors is responsible for approving our strategic climate change objectives. The Board committees (Strategy and Sustainability Committee, Nomination and Compensation Committee, and Audit, Compliance, Ethics and Risk Committee) are responsible for overseeing climate change management, monitoring climate risks, among others, compliance with applicable rules and regulations, and the link between climate objectives and management remuneration.

The Management Committee is responsible for decision-making and resource allocation while monitoring the company's performance in relation to the corporate climate change strategy.

The Carbon Cycle Department, which is part of the ESG Department, is responsible for driving the company's climate change strategy. The Carbon Cycle Panel, formed by an interdisciplinary, cross-organisational team, is primarily in charge of reviewing all opportunities to cut direct CO₂ emissions and achieving a significantly lower level of emissions in the course of business, as well as being part of the ESG Steering Team.

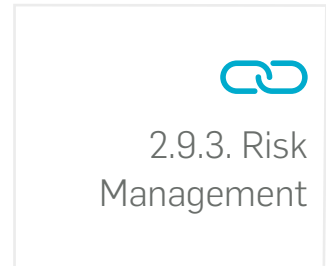


3.1.3 Climate change risks and opportunities

Climate change brings a number of risks and opportunities for our company. We have a comprehensive risk management system in place that provides an effective response by analysing and understanding the nature of these risks so as to optimise management.

In 2021, Cepsa's Risk Control and Management system methodology was revised to include Task-Force on Climate-related Financial Disclosures (TCFD) recommendations on risks related to climate change, such as the inclusion of speed and vulnerability as new analysis parameters. Cepsa's risk map includes the main transition and physical risks faced by the company and classified in the categories proposed by this standard.

The map was consolidated prior to this exercise applying a bottom-up approach from the business units up to the Cepsa management level, combined with a top-down approach to include the executives' global vision. In 2022, the Climate Change Risk map must include the changes made to Cepsa's global risk management in 2021, as well as future developments under climate scenarios.



Transition risks

Policies and Regulation

- Tightening of existing energy and climate regulations.
- New carbon pricing initiatives adopted by countries.
- Increase in or creation of new taxes linked to product carbon footprints.

Markets

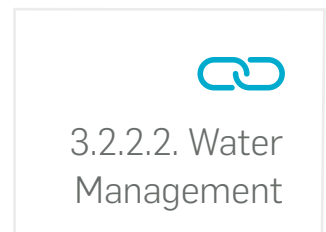
- Shift from fossil energy to alternative energy with lower carbon content (LNG, electric mobility, etc.).

Technology

- Development and breakthrough of new low-carbon-emission technologies and products.
- New technology to reuse waste and replace fossil feedstock in petrochemical units.

Reputation

- Negative perception of the company by its stakeholders.



Physical risks

Acute

- Increase in extreme weather events such as cyclones or floods.
- Climate pattern alterations due to rising temperatures.

Chronic

- Water scarcity due to extreme weather scenarios.

Under the Risk Management model, once the causes, consequences and person responsible for risk identification and management have been determined, potential impacts are assessed. These effects may be financial, human, environmental or reputational. We consider existing risk management measures and actions so as to minimize the likelihood of risk occurrence or the potential impact. The assessment of residual risks, including climate change risks, is captured in an impact-probability matrix that allows new responses to be prioritised and agreed to minimize both probability and business impact.

This analysis is a first step along a path that will be developed further over the next year in order to complete the quantitative analysis of climate change risks and opportunities and assess medium- and long-term financial impacts under different climate scenarios across the company.

We have also identified climate change opportunities related to production and distribution process efficiency, the development and expansion of low-emission products and services, and the emergence of new products such as eco-fuels or sustainable fuels, and services, thanks to R&D and innovation.



RISK ANALYSIS OF THE 2030 DECARBONISATION PLAN

In 2021, the Carbon Cycle Panel presented our 2030 Decarbonisation Plan to the Strategy and Sustainability and Audit, Compliance, Ethics and Risk Committees, as well as to the Board of Directors, the Management Committee having monitored the entire process.

This plan takes into account climate change risks and opportunities based on the assessment of our Risk Management approach, so we can dig deeper in response to possible threats to the plan.

QUANTIFYING THE FINANCIAL IMPACTS ASSOCIATED WITH CLIMATE CHANGE

We undertook an impact quantification exercise on a five-year horizon. A long-term quantification exercise under quantitative scenarios is planned for 2022.

Our risk analysis and assessment oversees all aspects in their entirety, estimating the financial implications or costs associated with each risk and opportunity.

In terms of risk, the financial impact of the European Emissions Trading System and the EU's climate targets stands at over €100 million. In terms of opportunities relating to different emission-cutting technologies, the approximate value is also above €100 million, depending largely on technology development curves.

OTHER CLIMATE RISK AND OPPORTUNITY MANAGEMENT MECHANISMS

Besides the risk map, we have other mechanisms and metrics that allow us to monitor and set targets while managing climate risks and opportunities. They include:

- Continuously monitoring regulations and involvement with industry associations at national and European level.
- Monitoring metrics used by the Emissions Trading System in relation to emission trends and financial impacts.
- Evaluating technologies and raw materials to offer customers more sustainable products.
- Continuously monitoring technological developments as opportunities and measures to mitigate the risks identified.
- Implementing a supplier climate change survey to enhance our transparency and sustainability in the value chain.



3.1.4 Strategy

In 2021, we assessed the various levers for reducing CO₂ emissions to build a corporate climate change strategy based on three fundamental pillars, for which quantitative objectives and levers will be approved and defined in 2022.



PILLARS OF THE CLIMATE CHANGE STRATEGY



Analysing risks and opportunities associated with climate change.



Establishing greenhouse gas emission and/or emission intensity reduction targets.



Implementing and innovating measures to cut emission intensity and R&D actions to support the strategic direction taken by Cepsa.

As a result of the analysis and identification of risks and opportunities, our plans are continuously renewed to adapt and integrate newly identified aspects of climate change. Proof of this is our commitment to investing in R&D, which has been integrated into our business strategy following the emergence of new regulatory requirements for end-customer energy and facility operations.

Also thanks to our ambition and belief in the transition to new sustainable products, we are exploring new business lines such as renewable hydrogen, a priority line of action under the 'National Energy Transition Plan' and the European Plan.

We have studied a broad range of CO₂ abatement levers taking into account efficiency, electrification and substitution of conventional energy:

- Increasing energy efficiency and optimising operation and maintenance processes.
- Continuing to roll out new catalyst technologies and improvements.
- Consuming renewable electricity in all our assets.
- Substituting fossil energy with biogas in production processes.
- Substituting fossil hydrogen with renewable hydrogen in refineries and chemical plants.
- In the long term, techniques for CO₂ capture, use and conversion into chemical products.



2.5. Innovation



MORE EFFICIENT AND SUSTAINABLE ENERGY

Energy and climate regulation will be at the core of national environmental plans. Efficient energy use is thus a key part of our climate change strategy.

To make this commitment a reality, our main refining and chemical production facilities in Spain have an Energy Management System certified under the international ISO 50001 standard, which ensures well-defined indicators and improvements to reduce energy consumption and, therefore, greenhouse gas emissions.



Our chemical plants and our supply and distribution facilities consume 100% renewable power.



IMPROVING ENERGY EFFICIENCY IN OUR FACILITIES

Implementing energy efficiency projects consisting of improvements to heat exchange processes and substitution with more sustainable and efficient fuels, leading to an annual reduction of approximately 20,000 tonnes of CO₂ emissions.



USE OF VEGETABLE OIL CO-PROCESSING

The co-processing of vegetable oil in our refineries gives rise to biopropane, which is zero emission energy due to its biogenic nature, both at the operational level and at the level of sales to end consumers.



TRANSFORMATION AND LOW-CARBON PRODUCTS

We have defined a carbon intensity ratio that allows us to monitor the transition to more sustainable products. At the end of the year, this ratio was around 75 gCO₂/MJ (unit of energy sold), which is reduced by 8 points when the carbon sink effect of our petrochemical products is taken into account.

The development and implementation of emission abatement technologies, combined with the processing of new, more sustainable raw materials for the manufacture of end products, as well as more sustainable petrochemical products, are our climate change strategy priorities, with the aim of offering society the sustainable energy it demands. Our company is also promoting renewable power generation.



WE ARE LAUNCHING THE FIRST PHOTOVOLTAIC NETWORK AT SERVICE STATIONS IN EUROPE



In association with Redexis, we have begun to build Europe's first network of renewable-energy-generating service stations. The plan is to complete the installation of photovoltaic panels in our service stations in Spain and Portugal by 2023. Panels have already been installed at 80 service stations and over 200 photovoltaic installations are planned by the end of 2021.

They will supply our service stations with power during the day, while the surplus will be fed into the grid, thus optimising the overall energy efficiency of our facilities and allowing 100% of the service station network to consume self-generated renewable electricity.

To drive these and other measures, we have included an internal carbon price signal in our financial parameters at the budget level. In 2021, prices were estimated to increase to reach €100/tonne in 2030, but this is under review given the currently increasing market prices.



DEVELOPMENT OF BIOFUELS



We maximise biofuel production in line with our ambition to reduce emissions. To ensure the sustainable supply of the necessary raw materials, we are certified under ISCC EU, the main voluntary scheme based on the European Renewable Energy Directive (RED), which requires sustainability and traceability. Our facilities are also certified under 2BSvs (Biomass Biofuel Sustainability voluntary scheme) and the National Sustainability Verification System (SNVS).

3.1.5 Climate change metrics

At Cepsa we use metrics to monitor climate change management and risks.

We include financial parameters for the transition to sustainable products in our financial impact calculation model, following the sustainable taxonomy and in line with climate change mitigation.

SCOPE 1 AND 2 EMISSIONS

We certify our carbon footprint annually under the ISO 14064 standard for our facilities in Spain and our upstream assets.

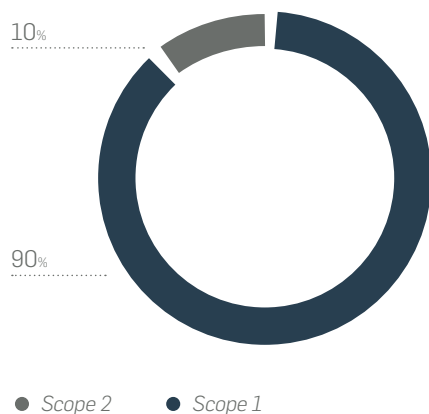
Scope 1 and 2 greenhouse gas emissions in 2021 accounted 5,831 thousand tCO_{2eq}, which was 2% higher than in the previous year. The impact of the global COVID-19 pandemic reduced our refining activities in 2020. We have almost fully recovered pre-pandemic levels in 2021, explaining this increase.

As regards the distribution by business, the Refining Unit still accounts for most of our emissions, at 51%, followed by Gas & Power, Chemicals and Exploration & Production.

SCOPE 1 AND 2 CO₂ EMISSIONS IN 2021 AND THE PERIOD 2017-2021

Scope 1 and 2 CO₂ emissions in 2021

Expressed in thousands of CO₂-equivalent tonnes.



Trend in the company's CO₂ emissions (Scope 1 and 2) in the period 2017-2021**

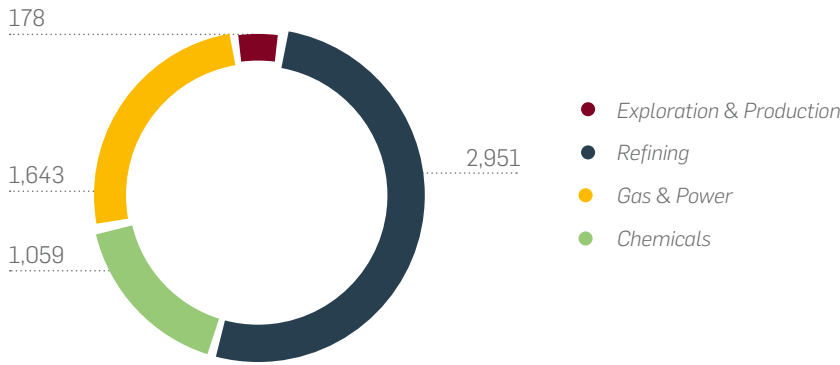
Expressed in thousands of CO₂-equivalent tonnes.




** Five-year historical reporting has forced us to recalculate emissions in business divisions such as Exploration & Production, using the same operated asset scope as under IOGP criteria. The reporting methodology is ISO-certified. The values reported here may differ from values published under EU ETS and other carbon schemes, as well as from the carbon footprint report under ISO 14064 due to the different reporting time span. Emissions from distribution and supply (CBRS and EESS) activities are calculated using ISO 14064 methodology but are not reported as they do not reach the 5% materiality level.

SCOPE 1 AND 2 CO₂ EMISSIONS BY BUSINESS

Expressed in thousands of tonnes.



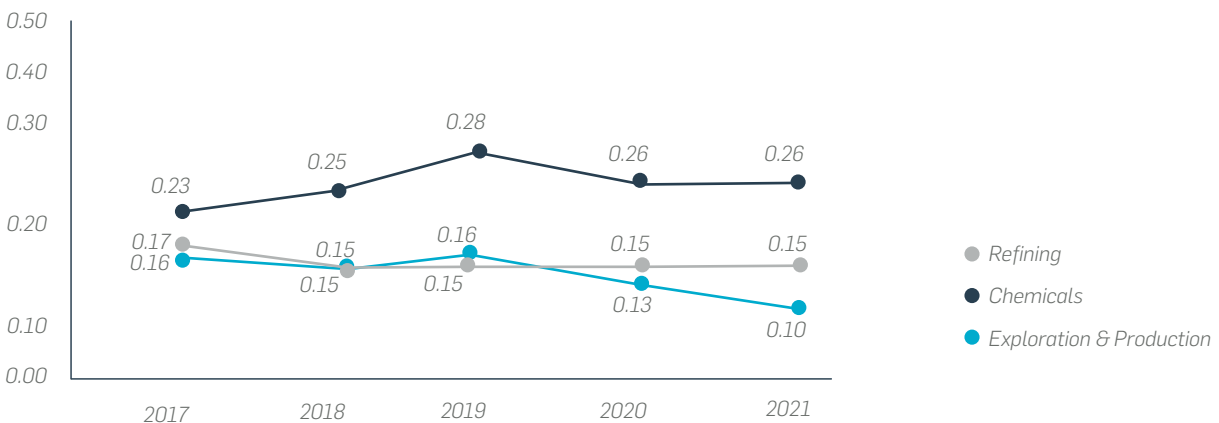

APPENDIX 4.5.
 Climate change management

CO₂ EMISSIONS (SCOPE 1 AND 2) TREND 2017-2021

Emission intensity in the Chemicals business has stabilised during this year, despite a shutdown period in Puente Mayorga to update technology. Likewise, refining is stabilized at an emissions intensity ratio that shows the continuity of efficiency and optimisation measures in the operation. Emissions intensity has been reduced in our Exploration & Production business, driven by the exit of South East Asia assets from our portfolio, as well as the implementation of energy efficiency and electrification projects in this business.

GREENHOUSE GAS EMISSION INTENSITY 2017-2021 IN CEPESA. DISTRIBUTION BY BUSINESS

Expressed in thousands of tonnes.



* The unit used for the Refining business is thousands of tonnes of processed crude oil and renewable feedstock, while in the Chemicals business it is thousands of tonnes of processed feedstock and in the E&P business it is thousands of tonnes of Oil & Gas produced.

* We do not include the emission intensity for the G&P business, since emissions are associated with the transformation of primary energy into final energy and we have no capture activities so the ratio is constant.

* Further information on the company's greenhouse gas emissions can be found in the indicators appendix included in this report.

CARBON INTENSITY RATIO

The metric used to monitor the carbon intensity of our energy products follows the Transition Pathway Initiative methodology and is expressed as units of CO₂ per energy unit.

This metric includes emissions from our upstream and downstream operations linked to energy products and related uses, considering all energy supplied, as well as the power generated and distributed by Cepsa.

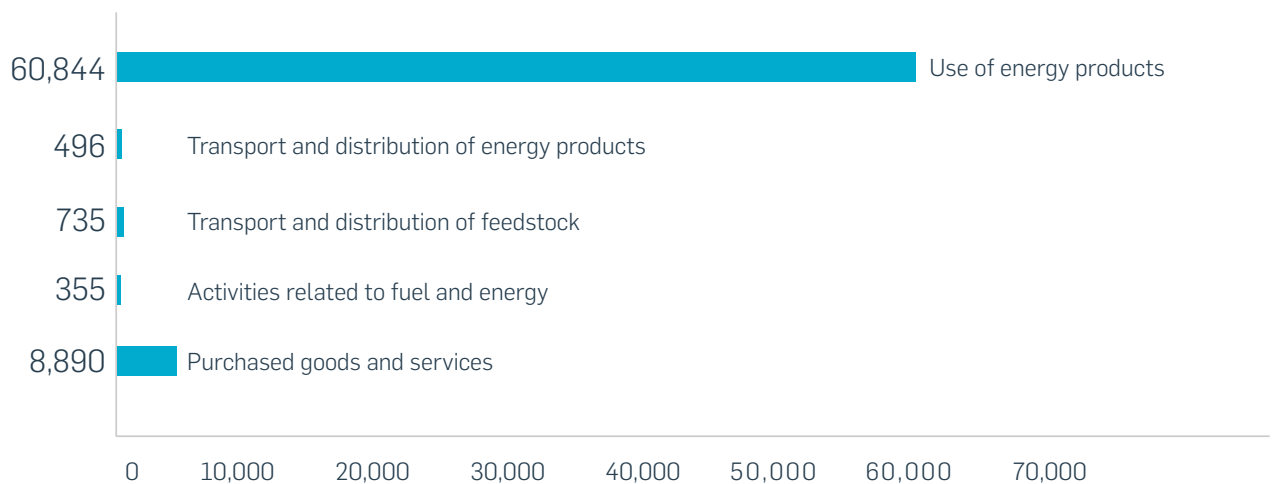
The use of this ratio allows the addition of sustainable and renewable products to be shown. In the coming year, within the framework of the decarbonisation strategy, this ratio will be audited by third parties.

VALUE CHAIN EMISSIONS

In 2021, the total emissions included in this scope amounted to 71,320 thousand tCO₂eq, having risen 33.1% against the previous year. This increase is explained by the negative impact of COVID-19 in 2020 on energy demand, resulting in a very low value for the product use category, which accounts for more than 85% of reported emissions, including fuel consumption at service stations. The purchased goods and services category, which includes processed crude oil, also saw a significant reduction in value.

SCOPE 3 CO₂ EMISSIONS IN 2021. DISTRIBUTION BY CATEGORY*

Expressed in thousands of CO₂-equivalent tonnes.



* Scope 3 emissions do not match the verified emissions under the ISO 14064 standard since the closing date of this report is prior to the ISO verification date.

For this report, the five most relevant Scope 3 categories are shown, as they account for at least 95% of the total Scope 3 emissions certified under ISO 14064. Variations between years are due to changes in the activity data value, as well as changes in the emission calculation methodology over this period to increase accuracy.



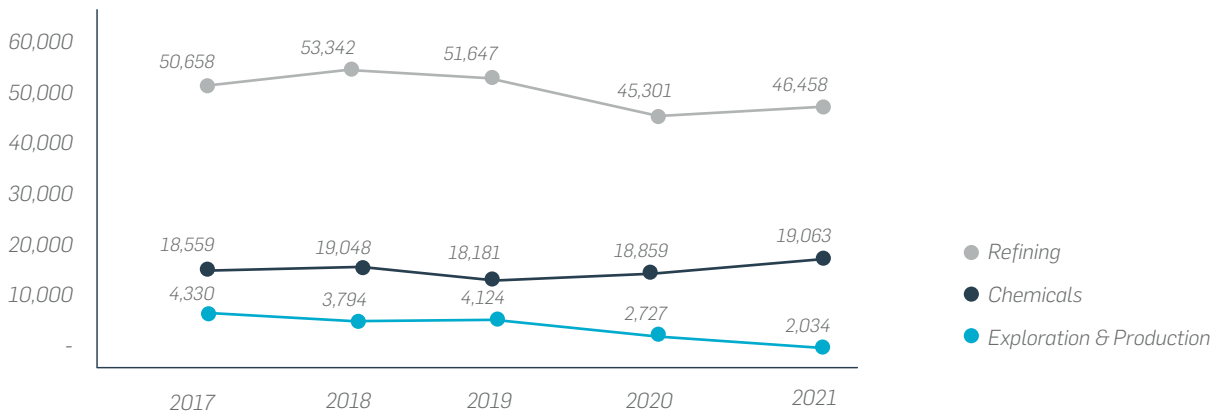
APPENDIX 4.5.1.
Emissions

ENERGY CONSUMPTION AND EFFICIENCY INDICATORS

Energy consumption in our operations reached 67,555 TJ in 2021, which was 1% above the previous year. As indicated previously, the comparison with 2020 is affected by the negative impact of the COVID-19 pandemic. In 2021, we recovered activity levels in the Refining business and achieved slightly higher production levels in the Chemicals business. With a 2% higher level of emissions, energy consumption reflects a 1% increase, which is evidence of the continuous improvement in our activities.

CEPSA'S ENERGY CONSUMPTION TREND. DISTRIBUTION BY BUSINESS (TJ)*

Expressed in thousands of tonnes.



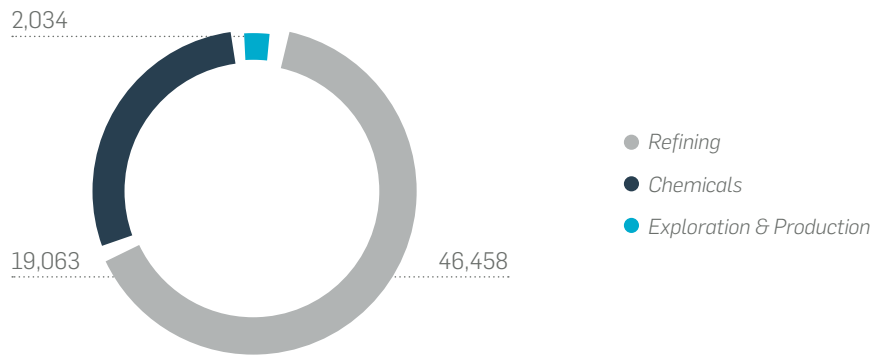
The energy intensity figures reflect a decreasing trend explained by the continuous improvement of energy use, switch to gaseous fuels and operational optimisation leading to a reduction in this ratio.



* The data for this indicator have been reviewed and any deviations from previous years have been corrected. For energy consumption and energy intensity in the Refining and Chemicals business, include the imported steam and power consumption from cogeneration, given that this energy is consumed in operations and must be included in these data. Energy consumption in Gas & Power business is translated to the Refining and Chemicals businesses, given that the energy consumption and intensity ratio reflects the transformation of primary energy into final energy, not comparable with the energy consumption of the Refining and Chemicals operation. This energy consumption in Refining and Chemical does not reflect the electricity sold, which is reflected in the total energy consumption.

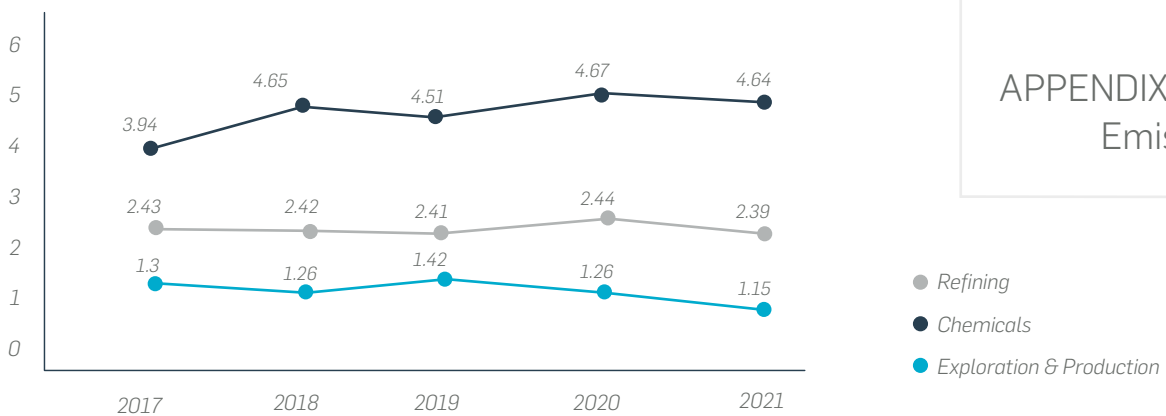


DISTRIBUTION OF CEPESA'S ENERGY CONSUMPTION IN 2021 BY BUSINESS (TJ)



ENERGY CONSUMPTION INTENSITY 2017-2021 IN THE REFINING AND CHEMICALS BUSINESSES (TJ/UNIT)*

Expressed in thousands of tonnes.




APPENDIX 4.5.1.
Emissions

* The unit used for the Refining business is thousands of tonnes of processed crude oil and renewable feedstock, while in the Chemicals business it is thousands of tonnes of processed feedstock and in the Exploration and Production business it is thousands of tonnes of Oil & Gas produced.

3.2 REDUCING OUR ENVIRONMENTAL IMPACT

We do business minimising our impacts, protecting nature and biodiversity, and promoting the circular economy.



MAIN INDICATORS	2021	2020
Water withdrawal (m ³)	33,393	37,747
Total consumption of raw materials (tonnes)	23,632	22,655
Renewable raw materials (%)	2%	2%
Waste managed (tonnes)	56,640	51,875
% waste recovered	62%	55%
Environmental investments (million €)	43.8	15.0

MILESTONES 2021



Innovation project with geoMAPcen for the investigation of soils affected by hydrocarbons using natural electric field (NEF) technology.



Implementation of the SICMA project, a system for the prevention of and response to marine and atmospheric pollution by potentially hazardous noxious substances (HNS).



Reduction of volatile organic compound emissions at the Shanghai chemical plant thanks to the implementation of the Regenerative Thermal Oxidation (RTO) System.

3.2.1 Management and best techniques

Our 'HSEQ Policy' (Health, Safety, Environment and Quality) and our 'Biodiversity Policy', both updated in 2021, aim to ensure the protection of the environment in the course of our activities, as well as to reduce consumption and impacts on the atmosphere, climate, marine environment, soil, groundwater, noise levels and biodiversity. These policies also reflect the need to ensure the health and safety of all the people who work and collaborate with Cepsa and the quality of our products. They serve as a basis for the implementation of the organisation's Environmental Management System in accordance with the main applicable standards.

We have made considerable progress in the application of Best Available Techniques (BAT), receiving various awards and accreditations that testify to our efforts.

ENVIRONMENTAL MANAGEMENT SYSTEM

Our Environmental Management System (EMS) allows us to make progress in complying with applicable legislation, as well as with our environmental policies, so as to transparently reduce the impact of our activities, aligning ourselves with our stakeholders' expectations.



We control the environmental impact of our activities, facilities, products and services by means of an Environmental Management System (EMS) certified under the ISO 14001 standard.

ENVIRONMENTAL CERTIFICATIONS



ISO 14001 CERTIFICATION

We have ISO 14001 certification covering all our businesses and 81% of the company's operations. The Environmental Management System is audited and reviewed annually by an independent third party.



EMAS CERTIFICATION

We have Eco-Management and Audit Scheme (EMAS) certification at our main industrial facilities in Spain, which allows us to manage and continuously improve our environmental performance.



EPD CERTIFICATION

We have Environmental Product Declaration (EPD) certification for our core paraffin wax and LAB/LABSA products.



Cepsa is the only company worldwide to have obtained EPD certification for paraffin waxes and LAB/LABSA.



Environmental certifications

We also have eight sustainability certifications under the ISCC (International Sustainability and Carbon Certification) voluntary scheme in our Refining, Chemicals, Marketing and Distribution and Trading businesses.

The implementation of these systems contributes to the application of the precautionary principle established in the Rio Declaration on the Environment, an area in which other actions are also taken, such as:

- Environmental risk management.
- Audit programmes.
- Environmental Impact Assessments (EIA) and Biodiversity Action Plans (BAP).
- Due diligence investigations for purchases and acquisitions of industrial plants.
- Safety data sheets for all our products and requests for safety data sheets for our raw materials.
- Plans, protocols and drills focused on the prevention of accidental marine pollution.



RECOGNITION FOR LA RÁBIDA REFINERY

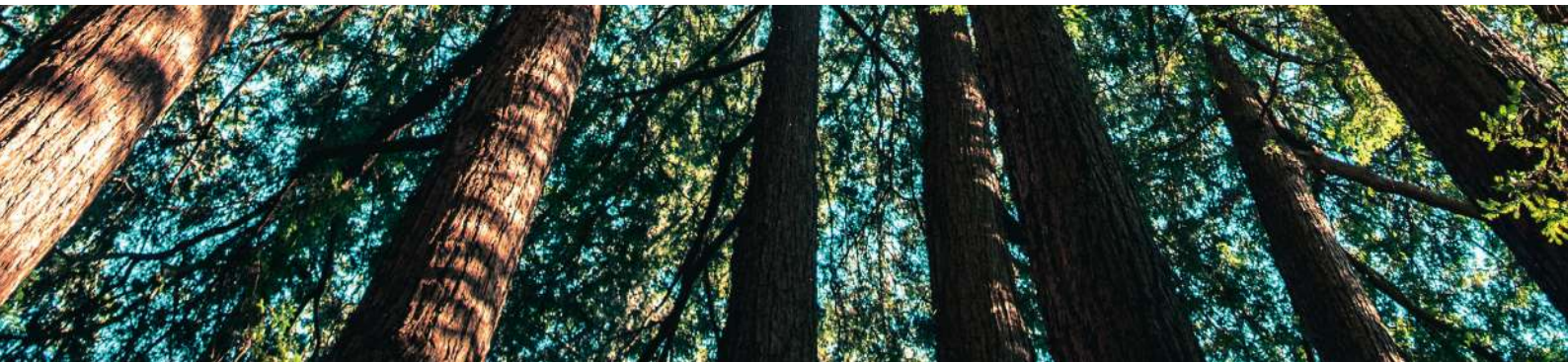
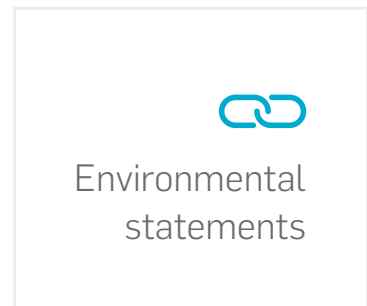
Our La Rábida Refinery (Spain) has received recognition from the European Commission for its environmental achievements, encouraging it to continue sharing good practices and environmental commitment. Being an example of transparency has earned it the 'Early Birds' distinction.

3.2.2 Reducing our impacts

The main environmental impacts relate to the atmosphere, climate, marine environment, soil, surface and groundwater, noise levels and biodiversity.

All operations are monitored by business and corporate technical teams, ensuring both legal compliance with regulatory requirements and minimisation of impacts.

At the beginning of each year, we publish valid Environmental Statements externally verified by AENOR, under the requirements of the European Eco-Management and Audit Scheme (EMAS), for our main industrial facilities in Spain. We also share our performance with our stakeholders.



Atmospheric emissions

To monitor and reduce non-GHG emissions (gases with no greenhouse effect potential) into the atmosphere, we have an action system based on the continuous control of these emissions at our main production facilities.

Thanks to monitoring, self-monitoring mechanisms and external measures implemented through a Collaborating Entity for Environmental Quality (ECCA), we have detailed knowledge of our main emissions, mainly NO_x, SO₂ and particulates.

In the organic chemical industry, we have improved combustion processes, fostering the use of cleaner technologies and implementing abatement systems that have reduced emissions of VOCs, methanol, CO and NO_x.



MEASURES TO REDUCE NON-GHG EMISSIONS

- Electrification of Exploration and Production facilities in Algeria.
- Leak Detection and Repair (LDAR) campaign to measure and control diffuse emissions at the San Roque Biodiesel Plant (Spain).
- Implementation of variable frequency drives in cooling towers to reduce electricity consumption at the Palos Chemical Plant (Spain).

EVOLUTION OF AIR POLLUTANT EMISSIONS

NO_x emissions	2021	2020	2019	2018	2017
Refining (tonne) ¹	2,031	2,052	2,851 ³	3,747	3,600
Chemicals (tonne) ¹	782	764 ⁴	635	745	812
Exploration and Production (tonne) ²	5,455	6,237	8,155	3,603	3,923
SO_x emissions	2021	2020	2019	2018	2017
Refining (tonne) ¹	4,417	4,036	5,059 ³	5,250	5,982
Chemicals (tonne) ¹	21	29	27	24	21
Exploration and Production (tonne) ²	15	14	15	45	114
VOC emissions	2021	2020	2019	2018	2017
Refining (tonne) ¹	205	225	265	227	283
Chemicals (tonne) ¹	608	651	665	621	632
Exploration and Production (tonne) ²	537	918	1,599	547	375
Particulate emission	2021	2020	2019	2018	2017
Refining (tonne) ¹	261	186	330 ³	274	245
Chemicals (tonne) ¹	9	10	9	7	10
Exploration and Production (tonne) ²	220	242	303	51	57



APPENDIX 4.6.2.
Non GHG
emissions

¹ The continuous measurement method was used to obtain the data.

² Since 2019, the Exploration and Production business has used AP-42, Fifth edition Compilation of Air Pollutant Emissions Factors for non-GHG emissions, unlike previous years, which has led to changes in the data in relation to 2018 figures.

³ Recalculated, including cogeneration emissions from the Guadarranque Chemical Plant.

⁴ The Puente Mayorga Chemical Plant changes its calculation methodology and NO increases considerably.




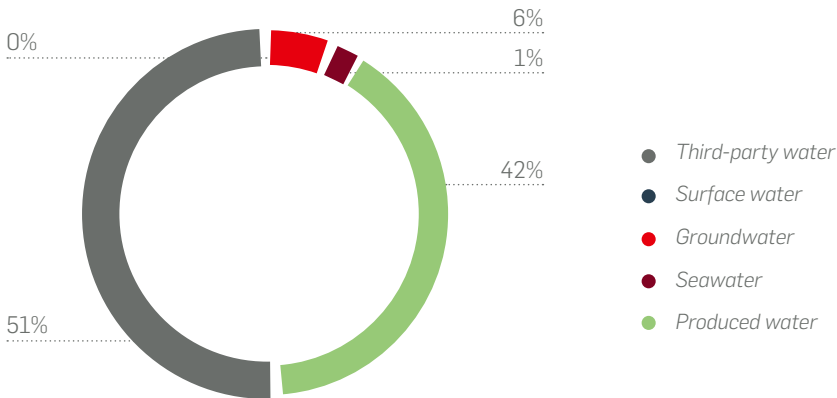
Water management



Improving the efficient use of water is one of Cepsa's priorities.

We foster the responsible use of water in all processes through saving initiatives, reuse, optimisation of water sources and reduction of the impact of discharges into the environment.

WATER WITHDRAWAL BY SOURCE



ANEXO 4.6.3.
Water management

OBJECTIVES OF WATER MANAGEMENT SYSTEMS

Each facility sets its objectives and conducts environmental assessments to identify risks and opportunities, taking into account environmental requirements, business strategy and stakeholder expectations.



We update the water risk assessment of our facilities annually using WWF's Water Risk Filter tool.

WATER PANEL

We have set up an internal work group to analyse water management and identify and evaluate initiatives and strategies to further optimise and improve our water management both locally and globally. We are currently reducing water withdrawal through business initiatives, paying particular attention to water-stressed areas¹.

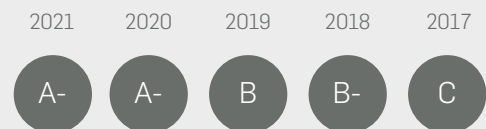
We also focus our efforts on improving our knowledge of the water cycle at our larger facilities to further increase the percentages of recycled and reused water.



PARTICIPATION AND RATING IMPROVEMENT IN THE CDP WATER INITIATIVE

Since 2017, Cepsa has been part of the CDP Water initiative, which evaluates water management performance.

The company's efforts to improve water management have been recognised through a continuous improvement in the rating obtained.



MANAGING IMPACTS ON WATER

We have developed a tool that allows the assessment of environmental aspects by considering, among others, categories of discharges and resource consumption.

Water-related impacts are identified through:

- Environmental Impact Assessments (EIA).
- Environmental Management System.
- Impact on the receiving environment.
- Water risk assessment.

Our Procurement Department conducts a risk assessment of all active suppliers on an ongoing basis, establishing environmental criticality levels according to their activity.

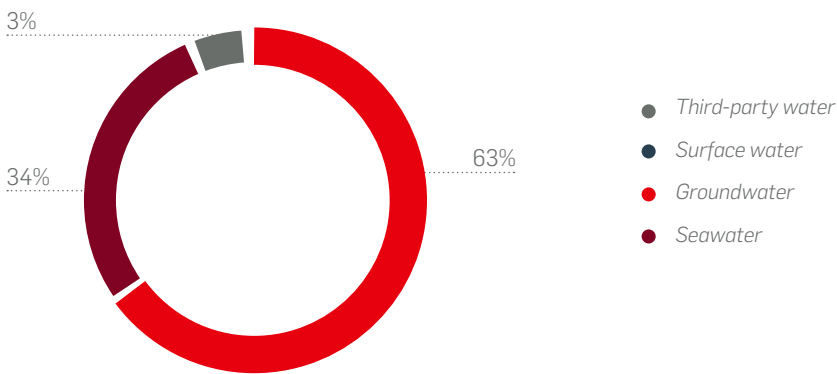


¹ Facilities in water-stressed areas, according to CDP Water reporting criteria: Water Risk Filter (WRF) risk = Quantity - Scarcity ≥ 3.

DISCHARGE MANAGEMENT

Discharges are controlled based on the environmental authorisations for each facility, applicable legislation, Best Available Techniques (BAT) and the company's guidelines. The quantity of discharges is monitored by direct metering, while quality is controlled through periodic sampling and parameter analysis, as defined for each facility.

WATER DISCHARGES BY DESTINATION



ANEXO 4.6.3.
Water
management

REDUCTION IN WATER WITHDRAWAL

We implement the best techniques to integrate water saving, reuse and recycling initiatives into our production processes. Before designing a new project or extending our facilities, we consider the responsible use of water and implement the following measures, among others:

- Water use efficiency.
- Maximising process water reuse.
- Purifying water for recycling.
- Treating water that cannot be reused or recycled to suit the receiving environment.

The basic engineering for water reuse, improved segregation and rainwater management at the Gibraltar-San Roque Refinery (Spain) was among the most notable measures taken to reduce water withdrawal in 2021.



Circular economy

We have a diversified value chain with a production and consumption model based on the use of raw materials, by-products and energy, as well as synergies between businesses and organisations.

This model is aligned with the principles of the circular economy and promotes the efficient and sustainable use of resources by acting on five basic pillars:

- Responsible consumption.
- Waste recovery.
- Optimising raw material consumption.
- Reducing the impact on natural resources.



APPENDIX 4.6.4.
Circular economy



NEW RANGE OF SUSTAINABLE PRODUCTS

The Chemical business has launched a new range of sustainable products, introducing for the first time renewable and recycled raw materials for its two main products, LAB and phenol.

The business obtained certification under the ISCC+ (International Sustainability Carbon Certification) system for LAB, HAB and paraffin products at the Puente Mayorga plant. Similarly, in 2019 it achieved the same certification at its Palos de la Frontera plant for the production of phenol and acetone.

WASTE GENERATION BY TYPE

We have various kinds of waste that can be grouped based on the activity, typology and composition. These, in turn, can be classified as hazardous, non-hazardous or similar to municipal waste.

Our aim is to progressively reduce waste generated and landfilled. We promote specific actions, establishing management criteria in accordance with the waste hierarchy established by circular economy policies:

- **Prevention:** we segregate waste at source and take steps to reduce the amount and hazardousness of waste generated.
- **Preparation for reuse:** we select catalysts that can be regenerated as many times as possible and send them to authorised waste management companies for recycling at the end of their useful life.
- **Recycling:** we identify alternatives and authorised managers who can extract resources from waste for the manufacture of new products.



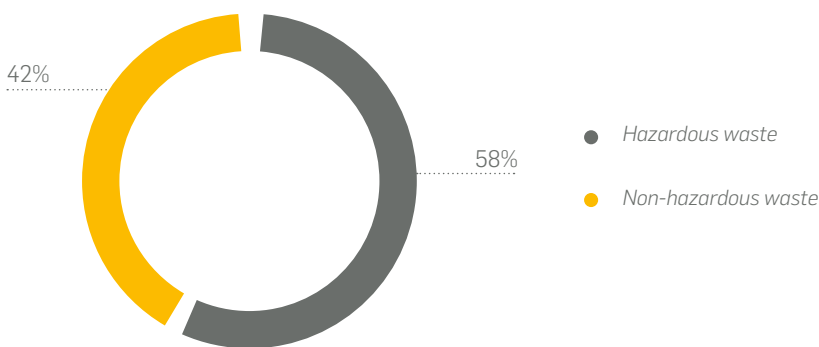
APPENDIX 4.6.4.
Circular economy

Where the heating value of waste allows energy recovery, it is delivered to authorised waste managers for use as alternative fuels.

Waste that cannot be treated is sent to specific authorised depots for each waste type. In this process, the company works closely with its waste managers to maximise recycling rates and minimise landfill.

Waste management projects we have completed this year include, for example, the removal of 1,000 tonnes of waste from our RKF² field in Algeria for recycling, and the development of a new system at the Gibraltar-San Roque Refinery (Spain) to improve waste segregation.

WASTE BY TYPE



3.2.6 Protecting biodiversity

Through our 'Biodiversity Policy', we promote the identification and periodic assessment of the main impacts of our activities on biodiversity, as well as the application of the mitigation hierarchy principle (avoid, minimise, restore and, ultimately, offset) in production plants located within or adjacent to critical biodiversity areas.

We also raise awareness among our professionals, suppliers and other stakeholders about the importance of protecting and conserving nature. We contribute to the creation of knowledge by studying the species and ecosystems close to our main production facilities so as to encourage scientific dissemination.

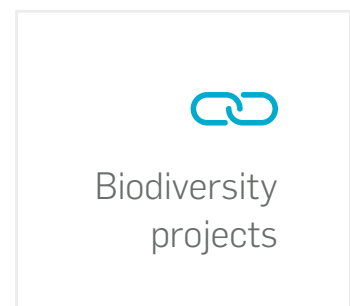
In addition, we collaborate with public administrations, non-governmental organisations, local communities, experts and other stakeholders, considering their needs and expectations in the interests of biodiversity.

ENVIRONMENTAL RESTORATION AND COMPENSATION PROJECTS

For 20 years, the Fundación Cepsa, Cepsa and the Andalusia Regional Government have been collaborating in the restoration of 'Primera de Palos Lagoon', in Huelva, Spain. This comprehensive initiative addresses ecological and landscape restoration without neglecting an educational vocation. The actions carried out are focused on the conservation, knowledge and promotion of natural areas. In the past 20 years, almost 100 species of fauna and 17 species of native flora have benefited.

Another project worth highlighting is the creation of the Madrevieja Environmental Station (EAM) in San Roque (Cádiz, Spain). Recovery and conservation actions have been carried out there to favour the emergence and reintroduction of different species. Among the various actions, the ringing of wintering birds stands out.

² Rhourde El Krouf.





SOS CARETTA - FISHERMEN FOR BIODIVERSITY

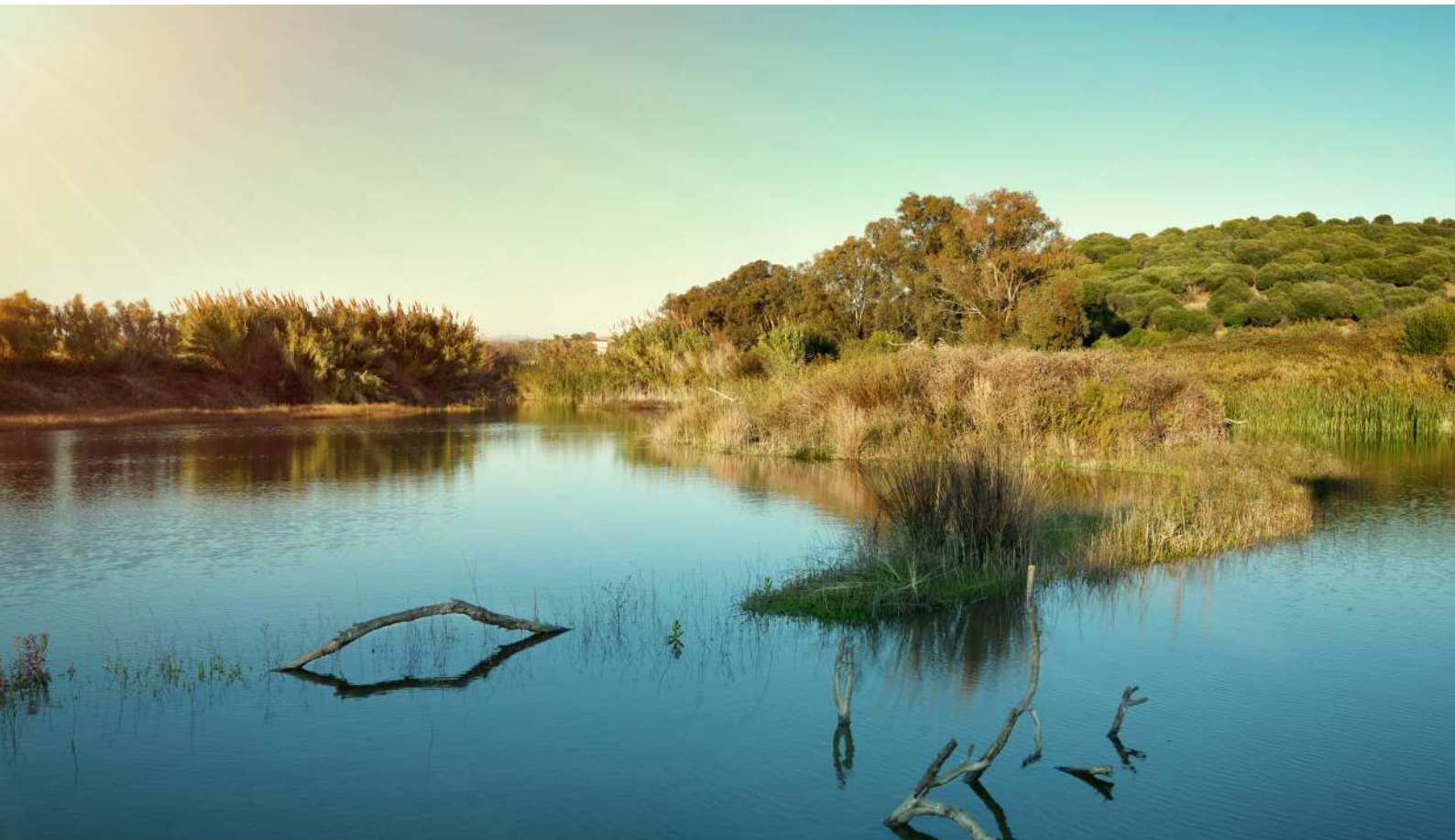
This Fundación Cepsa project, which is taking place on the coasts of Cadiz and Huelva (Spain), aims to promote, through collaboration with the fishing industry, the conservation and rescue of sea turtles, such as the loggerhead turtle (*Caretta caretta*) and the leatherback turtle (*Dermochelys coriacea*), classified as vulnerable to extinction according to the red list of the IUCN (International Union for Conservation of Nature).

Fundación Cepsa has signed a strategic advisory agreement with the IUCN as advisors in the sustainable energy transition, giving importance to biodiversity projects and the protection of water resources.

We also support the clean-up sanitation initiative to create a National Natural Park, in association with National Natural Parks of Colombia's Special Administrative Unit.



APPENDIX 4.6.5.
Protecting
biodiversity



3.3 HUMAN RIGHTS

At Cepsa we believe in respecting the human rights of all our professionals, suppliers, customers and local and indigenous communities.



Our new 'Human Rights Policy', aligned with international standards and practices, sets out our commitment to human rights and monitoring by means of due diligence processes, as well as the basic guidelines applicable to the behaviour of our employees and the third parties we interact with in all our locations.

MANAGEMENT GROUNDED IN INTERNATIONAL BEST PRACTICES

Our policy deployment and conduct are in line with the most advanced international practices:

- United Nations Universal Declaration of Human Rights.
- International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.
- OECD Guidelines for Multinational Enterprises.
- Principles of the United Nations Global Compact, to which we have adhered since 2005.
- United Nations General Assembly Declaration on the Rights of Indigenous Peoples.
- ILO Convention 169 on Indigenous and Tribal Peoples.
- Agenda 2030 and Sustainable Development Goals (SDGs).
- Recommendations of the Voluntary Principles on Security and Human Rights.





We have maintained the status, as in previous years, of not producing irregular situations or human rights infringements in our operations during 2021.

We have a new 'Security Policy' and specific rules for security personnel so as to ensure a high level of technical and professional competence, as well as human rights training, a requirement that also applies to our contractors.

We adhere to the Voluntary Principles on Security and Human Rights so as to guarantee secure operations while respecting human rights.

IMPACT ASSESSMENT AND DUE DILIGENCE

Cepsa has developed a human rights impact assessment methodology in line with the UN Guiding Principles on Business and Human Rights, assisted by external advisors.

It includes two key elements: a human rights impact assessment of our own operations and a human rights-focused due diligence investigation of the supply chain. This approach allows us to work in a proactive, consistent and structured way to identify, prevent, mitigate and respond to the adverse human rights outcomes that Cepsa could cause.

Our assessment process began in 2021 by globally identifying country risk relating to Cepsa's activities in certain countries. This information will serve as a starting point to roll out the methodology for assessing impacts on the company's assets in 2022, starting with training workshops for the teams involved in the assessment.

3.4 HEALTH AND SAFETY OF PEOPLE AND FACILITIES

Safety is in Cepsa's DNA. Safe working environments for all our professionals, suppliers, customers and local communities, as well as the integrity of our facilities and processes, are essential aspects of our performance.



MAIN INDICATORS	2021	2020
Fatal accidents	0	0
Safety training hours ¹	88,570	79,482
LWIF - Own personnel accident frequency rate ²	0.66	0.50
LWIF - Contractor accident frequency rate ³	1.49	0.94
TRIR - Total recordable incident rate for own personnel ⁴	1.20	3.92
TRIR - Total recordable incident rate for contractors ⁵	2.58	2.58
Process safety incidents (Tier 1 and 2)	9	11

¹ Employees.

² Total number of lost-time employee accidents / actual hours worked X 1,000,000.

³ Total number of lost-time non-employee accidents / actual hours worked X 1,000,000.

⁴ Total recordable employee incident / actual hours worked X 1,000,000.

⁵ Total recordable non-employee incident / actual hours worked X 1,000,000.





MILESTONES 2021



Measures for safety breaches. We have developed a procedure on measures applicable to service companies for safety breaches to ensure that contracted services and works are carried out correctly. The procedure lays down the systematic approach to be followed in the event of infringements depending on the seriousness and the specific circumstances.



Safety Excellence Project. Aiming to be an industry benchmark in safety culture by 2025. This project begins with a diagnosis based on safety perception surveys, expert visits, work sessions with managers and meetings with stakeholders. There are 44 planned actions grouped into six lines of work (safety, motivation, indicators, best practices, audits and inspections, and contractor management).



Pre-Start Safety Review (PSSR). We have implemented a new rigorous, structured verification review process in our production centres, which allows us to confirm the safe commissioning of a process.



Process automation. We have developed a system to facilitate the management of safety data sheets for chemicals purchased and used in our plants.

3.4.1 Protection of people

Safety of our professionals

The 'Health, Safety, Environmental Protection and Quality Policy', updated in 2021, sets out the objectives to ensure compliance with our standards in all phases of operations.

This year, we have continued to hold annual training and awareness programmes on occupational health and safety, and to promote a process of continuous improvement by analysing incidents, in a process known as "lessons learned", and the permanent monitoring of key indicators.

All Cepsa's industrial sites, except our Upstream assets, are effectively controlled and accredited by ISO 45001 and OSHA 18001 certifications⁶. At Cepsa we are convinced that a thorough investigation of incidents is crucial in order to learn from them and prevent recurrence. For this reason, we continue to implement the recognised Kelvin TOP-SET incident investigation process in all business units. It is not just a matter of analysing the root causes of incidents, but of carrying out a full investigation.

⁶ Certifications cover 90% of industrial sites.



PREVENTIVE ACTION PLANS (PAP)

These plans, which are rolled out in our production centres, are intended to promote the development of our safety culture. Some of the activities include:

- **Safety walks:** safety visits carried out by process unit managers with their own operational staff and those of service companies, strengthening their leadership and visibility.
- **Housekeeping inspections:** performed by multidisciplinary groups from the operations, maintenance and safety areas to ensure an optimal state of order and cleanliness in the units.
- **Preventive Safety Observations (PSO):** carried out by our own staff and contractors working in our centres to achieve excellence in safety. During 2021, the necessary functionalities have been defined to enhance and mobilise behavioural observations (PSO).



CONTRACTOR AND SUPPLIER SAFETY

All employees of service companies receive safety information or training before accessing the industrial facilities.

The aim is for each worker to be aware of where they are going to carry out their work. For this reason, we have online content and briefings on access to industrial facilities.

This year, the roll-out of the single approval⁷ process for service company execution supervisors, valid for our industrial facilities in Spain, was completed.

Health promotion

We are committed to promoting and caring for the health and well-being of our employees, providing them with comprehensive support that meets their needs. We work to maintain a healthy and safe working environment and anyone who works at or visits our facilities, applying the action protocols established by the National Institute for Occupational Health and Safety (INSST) for each identified risk. This commitment is embodied in our 'Code of Ethics and Conduct' and 'Health, Safety, Environmental Protection and Quality Policy' and is developed through various internal procedures addressing Health Service functions.



HEALTHY COMPANY PROGRAMME (HCP): INTEGRATED HEALTH CARE

We have implemented a Healthy Company Programme (HCP) to mitigate health risks identified based on medical examination data and to build a groundswell of opinion for comprehensive health care.

The programme has a digital platform that promotes the practice of sport and healthy eating to mitigate sedentary lifestyles, supported by Sportsnet and the Fundación FREMAP.

In 2021 we have put the focus on managing emotions and boosting physical and mental health through initiatives such as webinars, online mindfulness sessions and consultations with professional experts.

In view of major impact that the pandemic has had on mental health, we have reinforced training actions on emotion management in line with psychosocial risks.

⁷ Single approval means that a worker who has been trained at a particular site is entitled to work as an execution supervisor at all sites, provided that he or she has passed the relevant examination.

Independently, Cepsa's Medical Services provide all kinds of health consultation alternatives with our own health professionals.

It is worth noting that our intranet has many health promotion initiatives and that all resources, in addition to training campaigns, are accessible through the intranet.

IMPACT OF COVID-19

Since the health crisis began, we have tried to minimise the impact of the pandemic, prioritising the health and safety of our employees and their families through continuous support and advice.

The main actions to minimise the impact of COVID-19 were:

- **Governance model:** involvement of the company's management through a crisis management framework comprising a network of analysis and decision-making committees at different levels.
- **Reducing the risk of transmission:** initiatives such as the promotion of teleworking where most feasible, reduction of access to our centres by external personnel, communication of preventive measures and adaptation of arrival and departure times.
- **Physical health:** through support for infected workers, guidance and advice from the medical services in the form of talks and online information sessions, implementation of Ministry of Health regulations and recommendations, and permanent monitoring by our Medical Services.
- **Monitoring:** regular follow-up meetings with the Works Councils on the evolution of COVID-19, action protocols in the event of positive cases and transparent information for all professionals.
- **Communication and training:** communication of new regulations and applicable procedures, and development of guidelines and training for return to work.
- **De-escalation:** de-escalation plans reflecting the evolution of the pandemic and regulations in force at any given time.
- **Sumamos Plan, Health + Economy:** in May 2021 we joined the 'Sumamos Plan', which seeks to amplify and reinforce the actions of the Spanish health authorities with the tools and means available to companies, paying particular attention to the most disadvantaged groups; thanks to this, we were awarded the 'Committed Company' seal attesting to our pledge to combat COVID-19.

3.4.2 Consumer health and safety

We work to ensure that our products are safe for health and the environment throughout their life cycle.

We assess our products rigorously by means of internal processes such as the 'General Product Stewardship Procedure'. There have been no incidents related to the health impacts of our products and services.





All product characteristics are set out in 'Safety Data Sheets', which we send to our customers when they make the first purchase or whenever there are updates.

We also have a 'Customer Relationship Policy' and procedures to ensure product integrity and consumer safety⁸, reflecting our commitment to consumer protection.

It is worth noting that the United Kingdom's exit from the European Union has resulted in new chemical safety regulations in the UK. During 2021, the products marketed by Cepsa and its subsidiaries were reported in order to avoid supply chain disruption.

LABELLING AND MARKETING

We adhere to the 'Classification, Labelling and Packaging Regulation' (CLP) to identify and regulate all characteristics of our products. To ensure safe use, we provide full information on the components and hazards of each of the substances.

We also support industry initiatives to improve safe use information for consumers and society in general, such as the Product Stewardship Award of the Spanish Solvent Manufacturers' Federation (ESIG), the EUROBITUME safe use guide, or the CLP guide of the Spanish Association of Surfactant Manufacturers (AEPSAT), among others.

3.4.3 Guaranteeing the safety of installations

We have a five-year plan (2017-2022) to implement a Process Safety Management system, based on the Energy Institute model, to promote risk prevention and mitigation at our facilities.

Across the board, we carry out actions to oversee and manage asset integrity, the most significant being:

- Preparing structured manuals and operating procedures.
- Implementing detailed risk analyses at all facilities.
- Defining safe operating limits.
- Fostering efficient relaying in shift work.
- Following equipment inspection and maintenance programmes.

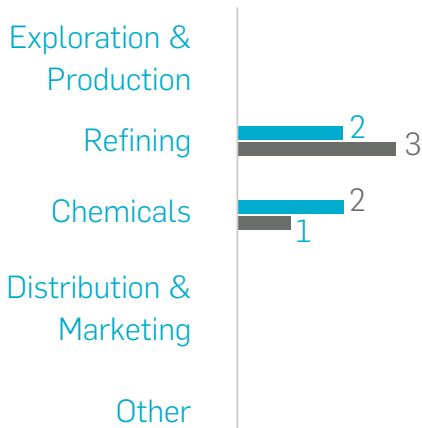
⁸ These policies and procedures include the Procedure for the Registration and Modification in the SAP R/3 System of products manufactured by Cepsa and raw materials; the General Product Stewardship Procedure; the Procedure on Precursors of Explosives, Drugs and Chemical Weapons; the Definition of Products and Preparation of Specifications; the Procedure on Product Safety Information; and the Procedure on the Inventory of Hazardous Substances and Mixtures.



PROCESS SAFETY INCIDENTS

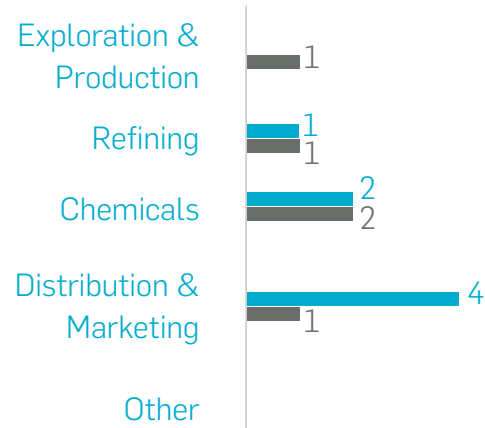
TIER 1

■ 2020 ■ 2021



TIER 2

■ 2020 ■ 2021



3.4.4 Cibersecurity

The current digital context, marked by the mass use of data and exponentially growing hyperconnectivity, drives the need to assure the confidentiality, integrity and availability of Cepsa's information as a priority goal of our digitalisation strategy.

We have a new 'Cybersecurity Policy' defining the digital systems strategy and an ISO 27001⁹ certified cybersecurity management model based on efficient technology risk management and the deployment of state-of-the-art technology services and solutions. The corporate Cybersecurity area is responsible for evolving the model and for rolling out the 'Strategic Cybersecurity Plan' promoted by management. Cybersecurity risk is reviewed and reported half-yearly to the Management Committee, which validates new actions underway and the achievement of planned milestones.

The main management and reporting tool is a cybersecurity dashboard comprising key indicators related to strategy, detection, prevention and response based on existing cybersecurity capabilities.

This year we have published the corporate regulations for industrial environments, which are designed to put in place the strategic framework for technical and legal protection in this area, as well as designing the associated reference architectures based on international standards and best practices in cybersecurity.



Cepsa has obtained the highest rating (A) for its approach to cybersecurity, according to RiskRecon¹⁰.

⁹ Global certification spanning all the company's businesses.

¹⁰ A Mastercard company, leader in automated Cyber risk assessment.



CYBERSECURITY PROTECTION MEASURES

- New global service protection measures, extending monitoring solutions and capabilities.
- Enhanced endpoint protection: computer hardening, hard disk encryption, USB port blocking and data leakage protection.
- Strengthening of two-factor authentication, including additional measures for remote access.
- Process automation based on artificial intelligence and machine-learning to detect potential malicious activity.
- Reinforcement of our capabilities to respond to a potential cybersecurity incident, as validated on a regular basis by means of cyber exercises.

FOSTERING A CYBERSECURITY CULTURE

This year we have taken our training and awareness activities beyond compulsory cybersecurity training for our professionals. Actions undertaken include:

- Emulating real attacks such as phishing, vishing (via telephone), smishing (instant messaging) and use of fraudulent USB devices.
- Training through the awareness-raising platform.
- Multi-channel publishing of regular awareness-raising messages.
- Celebrating Cybersecurity Day to boost management's engagement with security as one of the company's core values.
- Joint training on cybersecurity and the General Data Protection Regulation (GDPR) targeting our service stations.



3.5 SUSTAINABLE SUPPLY CHAIN

We promote a socially responsible and sustainable supply chain by integrating environmental, social and governance (ESG) aspects into our procurement processes. In 2021 we have bolstered this commitment to supplier management, extending it to our suppliers' suppliers and setting targets related to enhanced ESG performance.



MAIN INDICATORS	2021	2020	2019
Total procurement spending (million €) ¹²	699.61	905.60	1,389.79
Number of suppliers in the company's supply chain	2,856	3,674	4,283
Local suppliers (%)	46.46%	42.60%	38.00%

MILESTONES 2021



New ESG scoring in the approval process that allows us to identify our suppliers' positioning and detect opportunities to improve their performance.



Inclusion of additional ESG aspects in decision-making.



Training for buyers and suppliers on ESG and on the Supplier Code of Ethics and Conduct.

¹ The information reported within the procurement scope excludes the purchase of crude oil, raw materials, energy products and maritime transport related to these products; primary logistics (CLH); financial products and services; Cepsa's internal operations; donations; and payments of taxes and duties.

² The information reported includes the amount of purchases contracted, but not in relation to invoicing.

3.5.1 Procurement approach

We have approved the new 'Sustainable Procurement Policy', in which we set out our commitment to promote responsible and sustainable management best practices in the purchasing and contracting of goods and services. The aim is to avoid and mitigate potential adverse environmental, social and economic impacts. We have also revised our 'Supplier Code of Ethics and Conduct', reinforcing the commitment to ethics and the transmission of the company's values throughout the supply chain. Both documents have been disseminated to over 9,000 suppliers.



At Cepsa we protect integrity and transparency in contracting processes, we favour free competition and we make sure that risk situations are identified.

Our approach to procurement is designed to meet our business needs, thanks to the work of specialised managers, and to tighten relationships between our suppliers and the businesses. We also adapt and standardise our purchasing practices to comply with regulations in each country in which we operate. We implement unique global systems across the entire procurement cycle to enhance automation, traceability and transparency.

This model is centralised and unified, allowing for the simplification of processes and maximisation of efficiency through planning and early involvement in new projects. So we can deliver on commitments, satisfying all those involved.

EXCELLENCE IN PROCUREMENT MANAGEMENT

Purchasing excellence is certified under the UNE 15896 Standard on Value Added Purchasing Management and has been audited under ISO 9001, 14001, 50001, EFQM, ISO 45001 and other standards applicable to our management system.

INTEGRATING ESG ASPECTS IN DECISION-MAKING

We have revised and adapted the added value calculation by integrating ESG aspects into decision-making (Total Value of Ownership) on the basis of the following levers:

- Waste management and recycling.
- Green supply.
- Improving operational efficiency.
- Value engineering by reassessing services and bundling work.
- Optimising the value provided by suppliers by means of volume discounts.
- Optimising transport costs.
- Efficient equipment.
- Jobs for people with disabilities.



COMMUNICATING BEST PRACTICES

We have shared throughout the supply chain our success stories in applied innovation and digital transformation, as well as our best practices for the integration of ESG aspects, in various external forums in 2021. Also in these forums, we have communicated our commitments and roadmap to meet ESG objectives, as well as what we expect of our suppliers in this area. We have surveyed our suppliers to understand and prioritise the ESG issues relevant to them.



WEPIONEER PROGRAMME: THE IMPORTANCE OF RECOGNISING LEADERSHIP

We recognise suppliers that excel in their own ESG management and their commitment to sustainable and responsible performance. We want these suppliers to lead and set an example in sustainable management. The theme chosen for this third edition of the programme was diversity and inclusion.



3.5.2 Our supply chain

We have a supply chain of around 1,426 suppliers in the procurement area.

Setting aside raw materials¹, 80% of the amount contracted relates to services and the remainder to various kinds of goods such as materials, spare parts and equipment.

SEGMENTING SUPPLIERS

At Cepsa we carry out an exhaustive analysis of expenditure in our supply chain by means of an integrated system that allows us to monitor total expenditure by business unit, taking account of geographic distribution, purchase category and core business. This analysis allows us to segment our supply chain on the basis of criticality:

- Segments I, II and III. They include around 15% of our suppliers and account for more than 85% of annual expenditure. We focus all our initiatives on this group and adapt our approach as advisable.
- Segments IV and V². For these suppliers, we monitor operational, economic, health and safety, and environmental criticality before assigning a risk level.

We have procedures, tools and regular reporting systems in place to control and monitor management effectiveness throughout the supply chain. The monitoring of these reports and indicators of target achievement and control helps to ensure continuous traceability.

¹ The information reported within the procurement scope excludes the purchase of crude oil, raw materials, energy products and maritime transport related to these products; primary logistics (CLH); financial products and services; internal operations; donations; and payments of taxes and duties.

² At Cepsa, we have developed a more efficient supplier management approach in segment V, known as the spending tail, through automation and digitalisation to preferentially identify products with sustainability certificates. The spending tail is considered to include suppliers with contracted purchases of less than €25,000.



LOCAL CONTRACTING

We promote contracting with local suppliers, as we are aware of our positive impact on the local business network, which brings a number of advantages, such as facilitating supplies, providing flexibility and guaranteeing response times. In addition, precise localisation of suppliers allows us to control aspects such as country-risk.

In line with our pledge to promote local procurement, we undertake processes to identify and evaluate contracts that can be managed locally, detecting action areas with local suppliers such as:

- Identifying new areas in which to contract high-performing suppliers.
- Communicating improvement areas and providing follow-up and training.
- Studying locally manageable contracts and orders.
- Including the local component in the assessment.
- Sharing services that Cepsa contracts on advantageous terms.

Globally, for the company's locations with significant operations³, we sourced around 90% of our purchases from domestic suppliers in 2021. Specifically, 38% of this amount was contracted with locally-based suppliers.

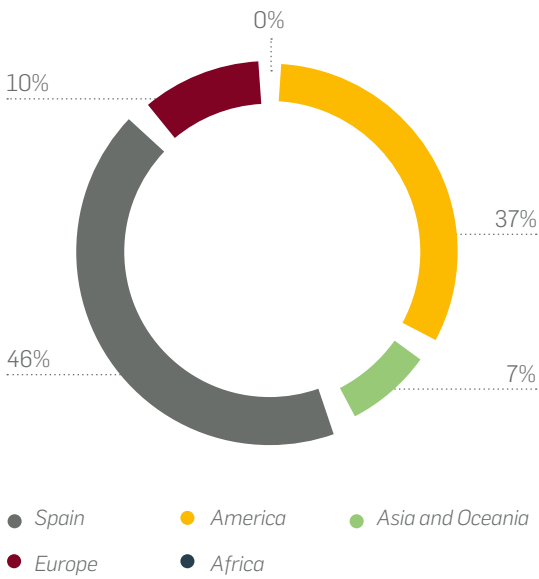
In the case of Spain, our main market, 99% of the suppliers were Spanish and accounted for 99% of the total spending managed by our purchasing unit. We also promote the contracting of suppliers close to our facilities to help develop the areas in which we operate. Around 40% of our contracts are with local suppliers or locally-based suppliers in the areas where our activities are located (Palos de la Frontera, Gibraltar – San Roque and Tenerife).

We only contract with non-domestic suppliers for highly specialised or multinational technology-dependent goods, equipment or services such as catalysts, industrial chemicals, specialised control equipment and systems, and licences.

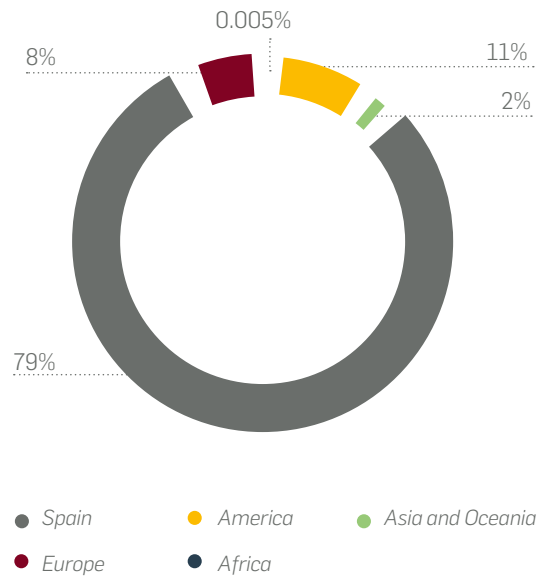


³ Locations with significant operations are understood to be the main sites where Cepsa has its industrial plants and the assets where it has exploration and production operations. The following locations have been considered for the purposes of this report: Spain, Portugal, Colombia, Peru, Brazil, SEA (Thailand, Singapore and Malaysia), China and Canada.

SUPPLIERS CONTRACTED BY GEOGRAPHIC AREA (2021)



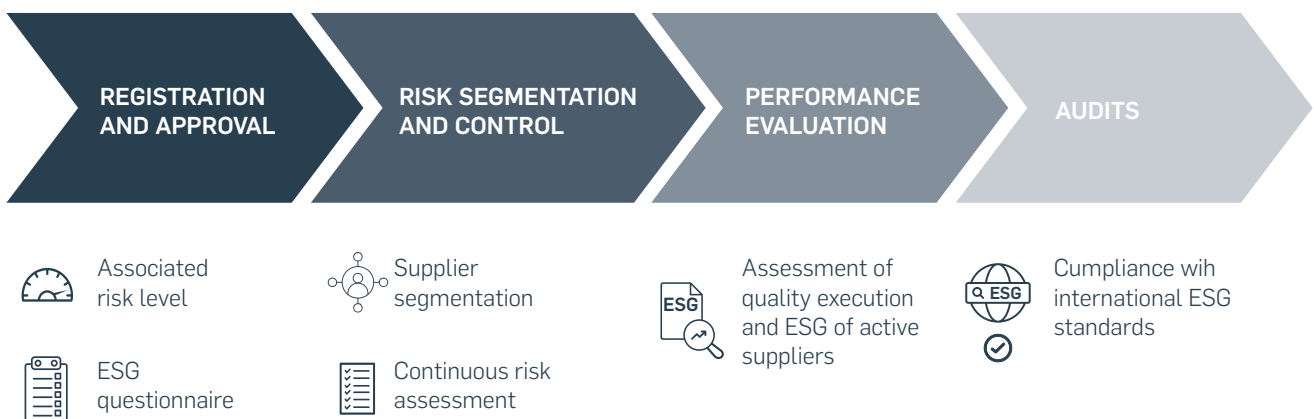
AMOUNTS CONTRACTED BY GEOGRAPHIC AREA (2021)



3.5.3. Supplier relations

Our specific supplier procurement requirements are standardised in the 'General Terms and Conditions' and in our 'Supplier Code of Ethics and Conduct'. Third parties must accept them before working for Cepsa during both the registration process and the various award phases.

We structure supplier relations management in four main phases to make sure the company has a 360° vision of our supply chain.





REGISTRATION AND APPROVAL

In this phase, we establish the aspects that the supplier must fulfil to ensure that the level of associated risk is acceptable. Suppliers are required to complete a questionnaire that includes environmental, social and governance aspects and are assigned an ESG score that is taken into account in decision-making. As a result, 100% of the approved suppliers on our platform have an ESG rating. We have also launched a supplier development meeting project to verify ESG performance and identify opportunities for improvement, spanning a total of 17 suppliers this year.

RISK SEGMENTATION AND CONTROL

We identify our critical suppliers through segmentation. They comprise the main segments I, II and III, segment IV suppliers showing some degree of high risk and conditional suppliers, which are the only source of a supply. We also consider the suppliers of the general contractors that access our facilities to be critical (Tier 2).

In this phase, risk relating to active suppliers is continuously assessed factoring in operational, economic, ESG, country, information security or counterparty (KYC, Know Your Counterparty) risk, among other aspects. The findings of this assessment are made available to all buyers for use in decision-making.

In 2021, a total of 2,659 active suppliers had been risk assessed. 974 suppliers underwent an additional compliance analysis in which international lists were checked to meet the objectives set by the corporate counterparty integrity analysis procedure (KYC). Cepsa has not identified any supplier showing high or very high risk, the average being medium-low risk.

PERFORMANCE EVALUATION

Cepsa has an active supplier evaluation plan that takes into account quality, execution and ESG aspects.

In 2021, 1,032 evaluations were carried out on 881 Cepsa suppliers, 609 of which due to their criticality, meaning that 100% of critical suppliers have undergone at least one performance evaluation, in line with Cepsa's target that at least 99% of critical suppliers must be assessed, including ESG aspects.

AUDITS

Finally, we complete these evaluations by implementing an audit plan following a protocol to assure compliance with internationally accepted ESG standards.

We conducted a total of 110 on-site audits in 2021. At the end of this year, a total of 155 active suppliers have been audited. The audit findings are valid for 24 months, during which time we help suppliers to close any 'Non-Conformities' that may have been detected. Action plans are drawn up and must be followed and evidenced for closure. This year we have exceeded our target of closing at least 80% of 'Non-conformities' from 2019 and 2020⁴.

⁴ 92% of major 'Non-conformities' and 80% of minor 'Non-conformities' were closed, so an average of 86% were closed.

3.6 COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT

Responsible and transparent relationships with our local communities are an essential part of our activities and operations. They allow us to generate value for society and contribute to economic, social and environmental development.



MAIN INDICATORS	2021	2020
Social contribution (million €)	4.4	4.8
Voluntary social contribution (%)	87%	90%
Direct beneficiaries of social action	129,882	126,727
Indirect beneficiaries of social action	389,925	380,115
Entities with which we have collaborated	214	184

MILESTONES 2021



Creation of two new Fundación Cepsa Chairs with the University of Málaga and the Pontifical University of Comillas called 'Digitalisation of Processes and Ecological Transition' and 'Hydrogen Studies', respectively, to promote research and knowledge generation in the field of ecological transition.



Dialogues in Action, an initiative based on a series of round-table discussions focused on bringing together and exchanging good practices and experiences on different matters of interest to society in the Canary Islands (Spain).



The Fundación Cepsa's ProFormación scholarship programme supporting vocational training students in the fields of energy and water, chemistry, safety and the environment, and electricity and electronics, among others.



Construction of the collection centre for the Puerto Gaitán Farmers' Association, which will have its own headquarters for marketing products and promoting competitiveness and self-sufficiency in production for both self-consumption and local sales.

3.6.1 Commitment and social management

The company's activities have an impact on our local communities. For this reason, at Cepsa we consider it a priority to proactively manage these aspects by assessing risks and fostering opportunities in the local area.

We integrate into society in the countries and regions where we operate to create collaborative environments and favour the growth of local wealth. We respect each culture and keep communication channels open to identify and respond to local concerns. We also invest in social actions to meet the needs and priorities of society at the local level so as to boost our commitment to the community.

The company has a regulatory framework setting out the principles that should guide this commitment in the 'Manual on Relations with Society', which includes, among other matters, the basic aspects of relations with local and indigenous communities.



Our social commitment is essential to tighten the link with our local communities and to support our sustainable operations.

SOCIAL RISK MANAGEMENT

At Cepsa we identify and manage the social risks affecting our activity. We assess these risks comprehensively both in the environmental and social authorisation process, through environmental and social impact studies, and in the social risk analyses carried out during project investment and execution. We have reinforced our internal regulations with specific guidance on how to carry out these tasks.

To mitigate the risks identified, measures are put in place to generate positive impacts on local communities, such as, for example, plans to promote the contracting and purchase of local goods and services or the implementation of social investment programmes.

RELATIONSHIP WITH LOCAL COMMUNITIES

Stakeholder identification and prioritisation is the basis for a successful relationship to understand and respond to their needs, paying particular attention to our local communities.

Transparency and communication are also essential. We provide our local communities with specialised teams to communicate and address their concerns, doubts and suggestions relating to our projects. These teams proactively promote actions to encourage community engagement, focusing on specific stakeholders such as neighbours, local and regional authorities, contractors, landowners, traditional leaders and, where appropriate, farming and indigenous communities.

In 2021, in our industrial centres in Spain, relationship-building and communication activities focused on institutional dialogue with local authorities and provincial and regional administrations, as well as with our neighbours, to keep up a dialogue in relation to our activities.

The main community engagement actions relating to our exploration and production operations have focused on providing information, responding to concerns and supporting local development for the local stakeholders, as shown in the table below.

Local community consultation processes have been undertaken on a timely basis for all our current operated exploration and production assets in production through the submission and official publication of environmental and social impact studies, as well as the mechanisms established by the respective governments. In our Colombian assets, consultation and agreements with local communities began in 2021 as part of the abandonment processes to be implemented in the coming years. There are currently no development projects that are in the local community consultation phase.



COMMUNITY ENGAGEMENT WITH EXPLORATION AND PRODUCTION OPERATIONS

Authorities

Regular meetings to report on the company's activities, impact and investment programmes.

In 2021, we participated in the 'Indigenous Round Table' in Puerto Gaitán for the Caracara asset (Colombia) to address the concerns of this group in terms of social investment, job opportunities and supplies of goods and services.

We have also worked on institutional strengthening projects involving local leaders and local and national authorities in Peru to address matters relevant to our stakeholders, such as: 'Macuya District Annexation Committee', 'Macuya Water and Sewage Board' and 'Glass of Milk'.

Local communities

Briefings on: operations, social investment initiatives and local contracting opportunities.

Investments in support for productive livestock projects: Puerto Gaitán communities for the Caracara asset (Colombia) to improve local livestock projects and the quality of life in these communities.

Investments in productive agricultural projects: Caserío Primavera community (Peru) to improve cultivation techniques and plantation maintenance so as to develop the huge production potential of local farmers when planting, harvesting and marketing cocoa.

Local contractors

Meetings focusing on the social context, communication of local procurement requirements and coordination of upskilling actions with a focus on improving competitiveness.

Business community

In 2021, support was provided to entrepreneurs in the Caracara asset's local community in the town of Puerto Gaitán (Colombia), when the local people were able to attend information days on supply processes and get help in understanding Cepsa's contracting processes.

3.6.2 Fundación Cepsa

Through the activities of the Fundación Cepsa, we focus on meeting the social demands of the communities and environments where we operate and we get involved in projects that help improve the situation of people. To do this, we focus our efforts on three main areas:

- **Social Support:** in addition to consolidating significant initiatives such as the 'Social Value Awards' or the 'Voluntas' corporate volunteer program, we work in favor of disadvantaged groups in the different communities where we operate. Fundación Cepsa plays a role as an agent of social transformation, promoting projects that improve the quality of life to the most disadvantaged groups, responding to the needs of the moment, such as those arising from the volcano on the island of La Palma (Spain).
- **Environmental:** we contribute to the promotion of studies and research in environmental matters, to the restoration and conservation of spaces of ecological value and to the awareness of schoolchildren and citizens in general on this subject.
- **Scientific-educational:** we promote research in the scientific and university fields to foster innovation in the energy and industrial sectors.

Along with these lines of action, in 2021 we have incorporated a transversal vector:

- **Ecological transition:** combining aspects such as energy efficiency and the dissemination of climate change prevention.

This approach to working in collaboration with institutions and social agents of a different nature allows us to have a greater impact and respond to the concerns and challenges of the communities where we operate.



APPENDIX 4.10.
Commitment
and
contribution
to social
development

3.6.3 Main social indicators

The company's social actions comprise initiatives carried out voluntarily by the Fundación Cepsa and those of an operational nature undertaken by Cepsa in the course of project development.

SOCIAL ACTION INDICATORS

Voluntary social action

Investment (€)	3,907,078
Direct beneficiaries	116,387
Indirect beneficiaries	349,043
Corporate volunteering actions	13
Entities with which we have collaborated	167

Operational social action

Investment (€)	513,408
Direct beneficiaries	13,495
Indirect beneficiaries	40,882
Actions carried out	55
Entities with which we have collaborated	47

3.7 TRANSPARENCY AND FISCAL RESPONSIBILITY

Transparency and fiscal responsibility are of the utmost importance to Cepsa. Our Tax Policy includes principles that help us to reduce tax risks. We use transparent corporate structures and schemes, and we adhere to good tax practices recommended in the territories where we operate.



MAIN INDICATORS	2021	2020	2019
Tax on profits paid by the company (million €) ¹ .	370	268	324

MILESTONES 2021



Code of Good Tax Practices - Transparency Report. We are adhered to the Code of Good Tax Practices in Spain. We are also active members of various Large Companies Forum work groups and we file the Annual Tax Transparency Report with the tax authorities on the year's main tax-related activities.



Voluntary submission of the 'Country by Country Report'.



Report on Payments to Public Administrations for Exploration and Production activities.

¹ This chapter provides a breakdown of this amount by country, as required by Non-Financial Reporting Act 11/2018. The company also provides in an appendix the 'Country-by-Country Report' data, which include tax contributions made in each jurisdiction.

3.7.1 Management approach

We have updated our 'Corporate Tax Policy', which outlines the company's tax strategy and commitment to tax best practices.

CEPSA'S TAX STRATEGY

We are aware of the social usefulness of our tax contributions in the countries and territories where we operate, as an essential contribution to public spending on basic services for citizens, families and society as a whole.

Our tax strategy complies with tax legislation applicable in each area, taking into account social interest and ensuring the achievement of long-term business objectives while avoiding tax risks and inefficiencies in our business activities.

TAX GOVERNANCE AND CONTROL FRAMEWORK

Our Board of Directors approved the 'Corporate Tax Policy' in 2021, outlining our tax strategy and our commitment to tax best practices. We actively disseminate our policy through the company's committees and bodies involved in this area.

The tax unit ensures and regularly checks that the principles underlying our management procedures, based on international benchmarks, are applied in the course of business. In our investment processes, all projects must undergo an approval procedure that includes an analysis of any tax implications, among other steps. The proposal is evaluated by the Investment Committee prior to approval by the Management Committee and the Board of Directors.

Compliance with tax legislation is assured through various Internal Control System mechanisms and the integrated risk management system implemented under COSO II ERM (Enterprise Risk Management - Integrated Framework of the Committee of Sponsoring Organisations of the Treadway Commission).

We have also rolled out a specific tool to facilitate tax management and strengthen control and monitoring of tax compliance. A specific tax risk map is prepared, presented to and validated by the company's Risk Committee.

The Ethics Committee is responsible for the ongoing supervision of the design and implementation of best practices in monitoring, investigation and personnel training to prevent any misconduct. Our people must always observe these ethical standards and should contact the Ethics Committee through its Ethics and Compliance Channel in the event of doubt.

Annual reports on the functioning of these systems and mechanisms, and on the design and efficiency of the controls in place, are submitted annually to the Audit, Compliance, Ethics and Risk Committee.

Cepsa's Board of Directors is promptly informed of the tax policies and criteria applied and the degree of compliance with the Corporate Tax Policy.



REPORTING OF TAX RISKS TO THE HIGHEST GOVERNANCE BODY

The following activities are carried out in order to report tax risks to the Board of Directors:

- Updating of tax risks in the 'Risk Maps' for Cepsa and for all its business units and lines of business.
- *Ex ante* identification of the impact of tax risks affecting the definition or implementation of the company's strategies.
- Mandatory inclusion of the analysis of tax risks associated with new investments.
- Preparation of tax risk management or mitigation plans.

3.7.2 Good tax practices and cooperation with public administrations

We want our local communities to gain insight into our business and our contribution to social well-being. So we prioritise working with governments and civil society to enhance the transparency of our activities.

We seek to establish a constructive relationship with the tax authorities in the territories where we operate so as to achieve the highest level of consensus and alignment in the interpretation of applicable legislation.

We take part in initiatives proposed by the tax authorities that can improve our understanding and save efforts for all those involved.

In the event of differences in interpretation, we offer the tax authorities our technical viewpoint and the available documentation so as to foster collaboration, understanding and amicable agreements.

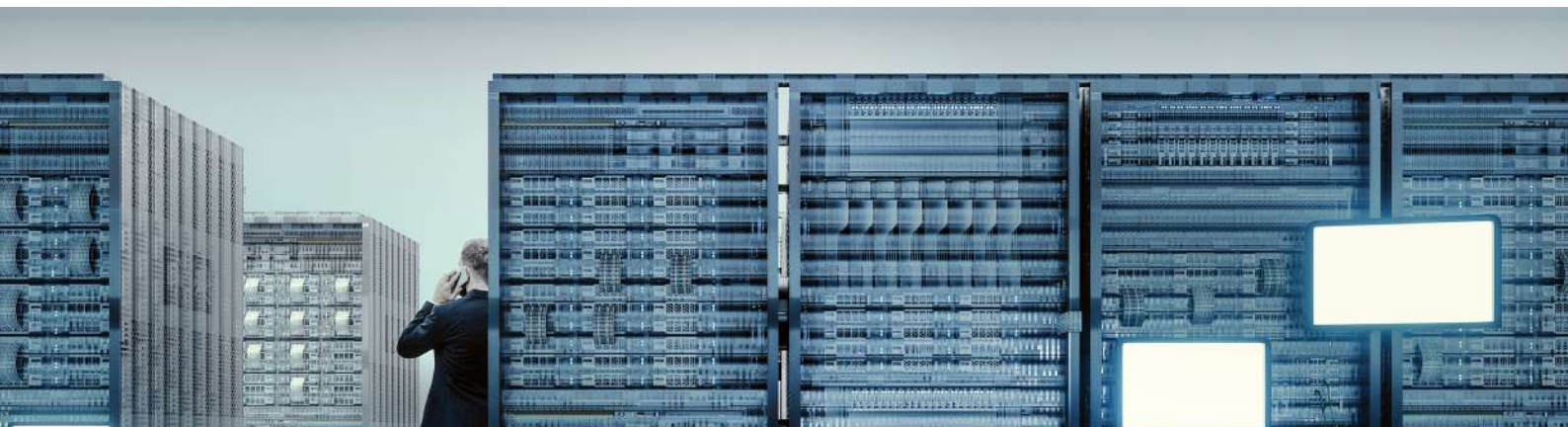
TAX TRANSPARENCY

Transparency is an essential value in our conduct, so we have made a transparency pledge to allow the different social agents to become familiar with our fiscal policy and the specific outcomes. We publish the required tax-related information in accordance with the regulations and voluntary agreements to which we are a party.

We also publish and submit annually to the tax authorities our 'Country-by-Country Report' detailing the information required by applicable prevailing tax regulations, which we include as an appendix to this integrated report.

TAX CONTRIBUTION

In 2021, Cepsa paid a total of €370 million in corporate income tax, as shown below by country:



CORPORATE INCOME TAXES PAID BY THE COMPANY COUNTRY-BY-COUNTRY (MILLION €)¹

	2021	2020	2019
Spain ²	42	2	-29
Algeria ³	66	154	131
Brazil	5	2	4
Canada	10	1	-
Colombia	2	-4	1
United Arab Emirates	239	92	151
Italy	1	1	1
Malaysia	-	2	5
Netherlands	1	1	1
Peru	7	5	12
Portugal	4	3	5
United Kingdom	1	2	1
Singapore	1	2	-
Thailand	-9	5	41
TOTAL	370	268	324

Besides corporate income tax, we are subject to other taxes, mainly excise duties. We are also responsible for collecting certain taxes that are immediately forwarded to the relevant tax authorities.

In 2021, including corporate income tax, Cepsa paid € 2,677 million in taxes and collected € 2,150 million.

INPUT AND OUTPUT TAXES

INPUT TAXES (MILLION €)				OUTPUT TAXES (MILLION €)			
Corporate income tax	Excise duties	Other	TOTAL	VAT	Excise duties	Other	TOTAL
370	2,195	112	2,677	1,580	440	130	2,150

¹ The exchange rate used for taxes paid in currencies other than the euro was the "average monthly exchange rate".

² The figure for income tax payments in Spain in 2019 includes, as in previous years, only the payment of income tax in Spain on the profit obtained in 2019 under the Spanish Chart of Accounts in the amount of €81 million and the refund of income tax overpaid in previous years in the amount of €110 million, so the figure shows a negative balance. A tax loss was posted in Spain in 2020 and 2021.

³ Includes rates applicable to the results obtained from the production of hydrocarbons that are higher than the general rates.

3.8 ETHICAL MANAGEMENT

We have updated our ethics and compliance regulatory framework to bolster our culture of integrity in business.



MAIN INDICATORS	2021	2020	2019
Code of ethics infringement reports received	113	109	134
Total number of requests for ethical advice	134	25	36
Number of internal audit projects with an anti-corruption and anti-bribery component	10	6	8

MILESTONES 2021



Updating our 'Code of Ethics and Conduct' and compliance policies to reflect reality in society.



Celebrating the VI Ethics Day. The 2021 edition focused on the ethics of artificial intelligence.



We included ESG aspects in the counterparty analysis (KYC) to supplement the prior assessment of country risk and operational risk.



3.8.1 Day-to-day ethics

The 'Code of Ethics and Conduct' is our professional touchstone, reflecting applicable best practices and Cepsa's values. It sets out the basic principles, ethical commitments and behaviours expected of our professionals. All employees must be familiar with the content of the code, so the company ensures continuous training and awareness-raising. We also recommend our professionals to adhere to it as an example of commitment, acceptance having reached a very high level.

We extend this commitment to our partners and collaborators by asking them to adhere to both our 'Code of Ethics and Conduct' and our 'Supplier Code of Ethics and Conduct'.



UPDATING THE CODE OF ETHICS AND CONDUCT



The 'Code of Ethics and Conduct' is regularly updated and reviewed to reflect changes in society and the company. This year we have brought in the following new features to align the code with our ESG commitments and the 2030 Agenda Sustainable Development Goals:

- The concept of "energy transition" and the reaffirmation of our commitment to ESG issues.
- Stronger condemnation of harassment and our commitment to diversity and inclusion.
- Introduction of the concept of "digital disconnection".
- Content on artificial intelligence technology.
- More rigorous information management.

We have also updated the 'Supplier Code of Ethics and Conduct', which aims to set minimum expectations for supplier conduct.

ETHICS AND COMPLIANCE CHANNEL

Cepsa has an Ethics and Compliance Channel in which any employee or third party can report behaviour that is irregular or conflicts with the Code of Ethics and Conduct, current legislation or Cepsa's internal regulations. This channel is accessed via a form on Cepsa's corporate website and over the telephone. It is managed by an independent company and available in multiple languages, 24 hours a day, 365 days a year.

The channel is managed by the Ethics and Compliance Office, which reports functionally to the Audit, Compliance, Ethics and Risk Committee. All stakeholders with whom we have a contractual or commercial relationship are informed and trained to use this channel.

All comments received are treated confidentially and can be made anonymously. The Ethics and Compliance Channel policy includes a processing procedure. Cepsa has zero tolerance for retaliation against whistleblowers and establishes the appropriate protection measures for each case in accordance with legislation on the protection of whistleblowers reporting corruption and in line with Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

CULTURE OF ETHICS

Awareness-building is essential when integrating ethical principles into our daily lives and we undertake various initiatives to raise awareness of ethical issues, such as:

- **VI Ethics Day**

We celebrate the VI Ethics Day by exploring the ethical challenges posed by the development and use of new technologies such as artificial intelligence, the conclusion being that ethics must be present from the very design of technologies. We have also recognised our professionals' special commitment to ethics by means of the Compliance Believers 2021 award ceremony, which was closed by the independent director and Audit, Compliance, Ethics and Risk Committee chair.

- **Ethics opinion survey**

We launched a survey of all our employees to receive feedback on our ethics model and whistleblower channel. Through initiatives of this kind, the company seeks to foster employee engagement with our commitment to ethical behaviour. Where room for improvement was identified, action plans have been put in place.

- **World Whistleblower Day**

On World Whistleblower Day, the work of those who step forward to report wrongdoing and help improve company integrity was recognised. The importance of reporting any irregular conduct was recalled, stressing that there is a safe, confidential and retaliation-free channel for bona fide whistleblowers.

- **Taking stock of the Ethics and Compliance Channel**

Initiative organised to communicate the results of the Ethics and Compliance Channel's activity in 2020.

- **Communication of the updated 'Code of Ethics and Conduct' and compliance policies**

Following the review of the 'Code of Ethics and Conduct' and compliance policies, carried out in 2021, the entire organisation received news of the Board of Directors' approval on 3 November.

- **Ongoing ethics and compliance training for employees and suppliers**

To ensure knowledge of and compliance with our ethical principles, we launched training and awareness-raising initiatives, both online and face-to-face, which were attended by 488 employees and 344 suppliers in 2021.



APPENDIX 4.12. Ethical management

3.8.2 A robust compliance management system

We have a compliance management system including the prevention and management mechanisms needed to address risks of non-compliance or inappropriate behaviour.





EXTERNAL AUDITS AND CERTIFICATES

External audit of our Crime Prevention Model and Internal Control over Financial Reporting System

In order to check the effectiveness of our internal control system, we have undergone an external audit process under ISAE 3000, with satisfactory results.

UNE 19601 and ISO 37001 certification¹

The UNE 19601 Criminal Compliance Systems and ISO 37001 Anti-Bribery Management Systems certificates were renewed to ensure that our approach follows the applicable best standards.

COMBATING CORRUPTION, BRIBERY AND MONEY LAUNDERING

We have assessed the effectiveness of our crime prevention framework in 2021. This entailed analysing risks from a criminal viewpoint and considering risks linked to corruption in both the public and private spheres. We tested the effectiveness of the control framework in 18 companies² and found no significant level of corruption risk. We have also had no confirmed cases of corruption and bribery in recent years.

We also have a Know-Your-Customer (KYC) and Trade Controls function. This includes the analysis of third parties with which we interact from the viewpoint of bribery, corruption, money laundering, terrorist financing and international sanctions. An additional ESG assessment criterion was recently added to take account of environmental, human rights, health, safety, security, inequality and governance risks.

The main measures to prevent corruption, bribery and money laundering are:

- Audit of corporate cards, travel expenses and executive cards.
- On-line training in crime and corruption prevention.
- Streaming training for suppliers.
- Company-wide counterparty analysis procedure.
- Enhanced counterparty analysis communication and reporting processes between business units.
- Internal communications on the Bribery, Corruption and Conflict of Interest Policy.

Finally, Cepsa does not directly or indirectly finance or provide support or assistance of any other kind to trade unions, public officials, political office holders, political parties, their representatives and/or candidates, advisors, or any person who performs public duties or is a trusted employee of the above persons or entities.

¹ The company certified under ISO 19601 and ISO 37001 is the parent: Compañía Española de Petróleos S.A Cepsa Comercial Petróleo, S.A.U.

² The following companies were reviewed: Compañía Española de Petróleos, S.A., Cepsa Comercial Petróleo, S.A.U., Cepsa Química, S.A., Cepsa Trading, S.A.U., CEDIPSA, Cepsa Business Services, S.A.U., Cepsa EP S.A.U., Cepsa Gas Comercializadora S.A., Fundación Cepsa, Cepsa Colombia, S.A., Cepsa Gas y Electricidad, S.A., Cepsa Aviación, S.A., Spanish Intoplane Services, S.L.U, CMD, S.L. Petrocan, S.A. Cepsa Petronuba, S.A., Atlas, S.A. Ressa, S.A., Cepsa Card, S.A., Cepsa Bioenergía San Roque, S.L.U., Cepsa Trading, S.A.U., Cepsa Gas y Electricidad, S.A.U., Cepsa Gas Comercializadora, S.A., Cepsa Química, S.A., Spanish Intoplane Services, S.L.U., Cepsa Aviación, S.A., CMD Aeropuertos Canarias, S.L., Cepsa Comercial Petróleo, S.A.U., CEDIPSA, Compañía Española de Petróleos, S.A, Red Española de Servicios, S.A.U. (RESSA) Atlas, S.A., Cepsa Colombia, S.A.

INTEGRATED
MANAGEMENT REPORT
2021



04.

NEW NORMAL BUSINESS ENVIRONMENT

- 4.1 Global macroeconomic context
- 4.2 Industry context



4.1 GLOBAL MACROECONOMIC CONTEXT



In 2020, the world economy contracted sharply due to the COVID-19 pandemic and the control measures imposed. In 2021, thanks to the phasing out of pandemic-related restrictions and progress in vaccination, the global economy showed remarkable growth of around 5.5%.

Following this strong upturn, the World Bank expects a sharp slowdown in the world's major economies in the first half of 2022, as published in its latest macroeconomic outlook report¹. This slowdown will be caused primarily by market uncertainty stemming from the new COVID-19 variants, rising inflation and income inequality across economies, significantly penalising the emerging economies.

In this respect, in February 2022 the conflict between Russia and Ukraine started, which has increased this uncertainty and is expected to have economic and social impacts. In addition, the sanctions announced against Russia in recent days could also have an impact on the global economy. As far as the Spanish economy is concerned, the conflict could slow down the economic recovery and drive up inflation.

In the short-term, the conflict is having an impact on global energy markets, where Russia plays a key role as the world's third largest oil producer and largest exporter. In this respect, a rise in raw material prices can be observed, which could boost inflation.

The IMF estimates world economic growth will be 4.1% and 3.2% in 2022 and 2023, respectively, although these estimates could be altered by the economic-financial impacts of the conflict. However, the different world economies will be affected in different ways: growth in advanced economies is expected to slow from 5% in 2021 to 3.8% and 2.3% in 2022 and 2023, respectively, while growth in emerging and developing economies is expected to decline from 6.3% in 2021 to 4.6% and 4.4% in 2022 and 2023.

The fact that many emerging and developing countries are unable to implement macroeconomic policies to support economic activity, new outbreaks of COVID-19, rising inflation and bottleneck pressures in supply chains will have a significant impact on external demand and economic growth.

To control inflation, some countries are withdrawing support measures ahead of the full economic recovery to pre-COVID-19 levels. The World Bank also stresses that vaccination must be carried out in a more global and equitable way so that the pandemic can be controlled, and future economic growth can be more homogeneous and sustained over time.

As for the European Central Bank, it expects that, after Euro Zone growth of 5.1% in 2021, the area will continue to recover, albeit at a more moderate level in 2022. This growth will be driven by domestic demand, a more buoyant labour market and increased spending due to savings accumulated during the pandemic. This outlook will be conditioned by new waves of COVID-19, rising energy costs and supply chain bottlenecks.

As far as the Spanish economy is concerned, the Bank of Spain² exposes the great uncertainty to which the projections are exposed, derived from the evolution of the pandemic, distortions in supply chains and inflation pressures.

In this respect, future markets are expecting inflationary pressures to fall in 2022 due to the gradual elimination of the effects of bottlenecks and the drop in energy prices. Nonetheless, geopolitical issues may well reduce these expectations.

The Spanish economy is, moreover, facing another major uncertainty, namely, the use to be made by Spanish households of savings accumulated during the pandemic (more than 6% of GDP), which will condition private consumption and therefore demand.

Nonetheless, despite the instability in 2021 and future uncertainties, GDP has grown by 4.5% in 2021 and is expected to grow backed by the projects financed through the Next Generation programme (the EU recovery plan) and the maintaining of favourable financial conditions, by 5.4% in 2022 and 3.9% in 2023. Therefore, if the trend continues with this outlook, the pre-pandemic GDP would be recovered between the end of 2022 and the beginning of 2023.

¹ Global Economics Prospects, January 2022.

² The Spanish economy in 2022. Economic policy situation and challenges.

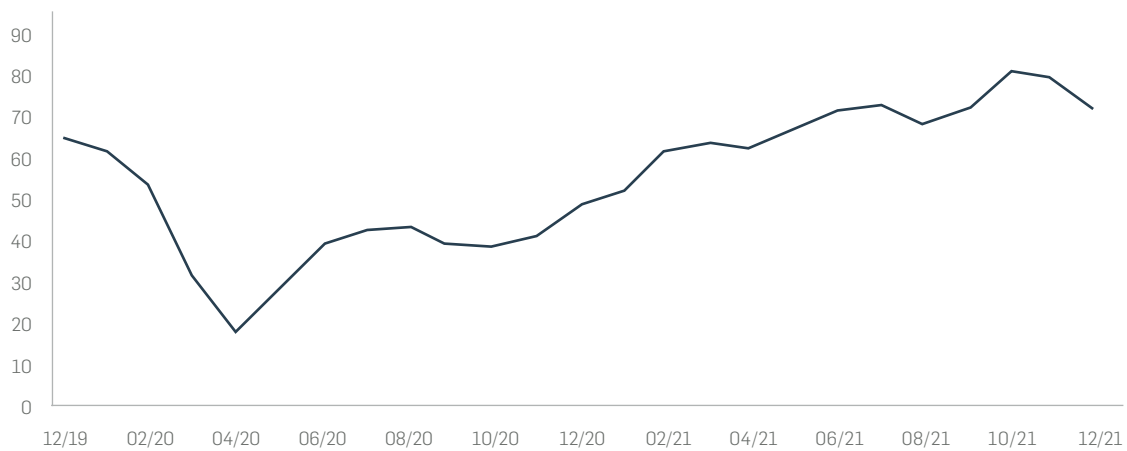
4.2 INDUSTRY ENVIRONMENT



CRUDE OIL (BRENT) PRICE AND SUPPLY

Brent crude oil price trend over the last two years is shown below:

BRENT \$/BBL.

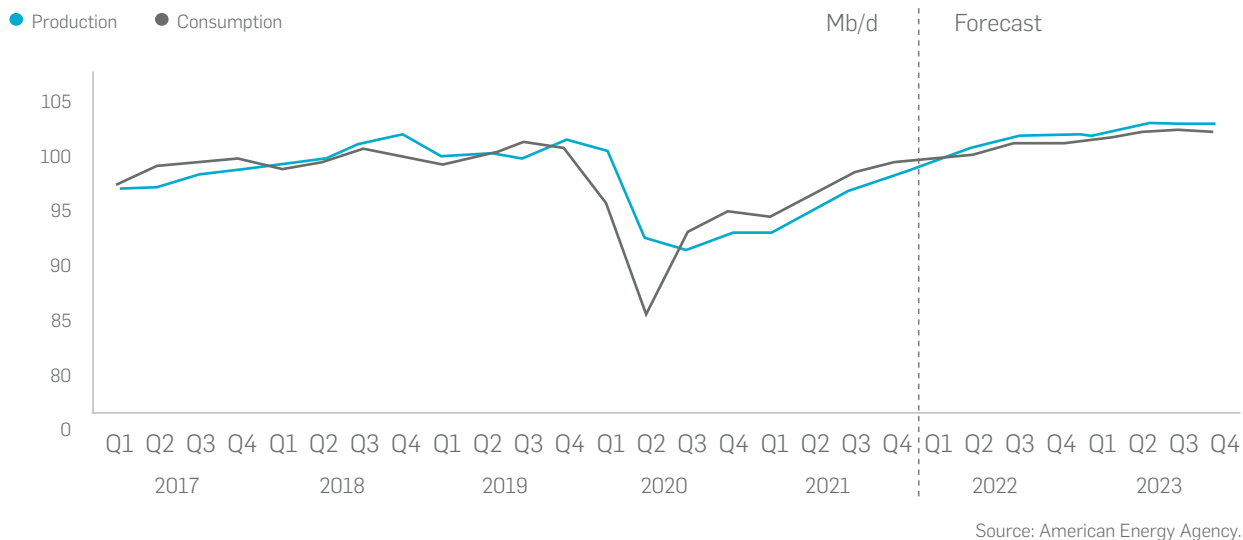


In 2020, Brent crude oil prices fell considerably due to the pandemic and the mobility restrictions imposed globally to control the virus, causing a sharp contraction in demand. This prompted OPEC+ to restrict production in order to control oil stock levels and restore the supply-demand balance. In 2021, COVID-19 continued to impact the market and generate uncertainty, and OPEC+ has therefore partially maintained its restrictions, although these have been eased (as from July 2021, production quotas were increased by 400 Kb/d). This, together with the gradual elimination of mobility restrictions, allowed demand for crude oil to outstrip production causing prices to rise and stay high for much of the year.

Global oil production increased by 0.7 Mb/d in 2021 compared to 2020 and is expected to grow by 2.5 Mb/d in 2022 and 2.6 Mb/d in 2023, provided the remaining production restrictions are lifted.

In 2021, due partly to growing demand and also to controlled crude oil production, consumption outpaced production, resulting in a significant decline in global crude oil inventories. Uncertainty in the markets is currently latent due to the new COVID-19 variant, Omicron, which is causing some countries to restrict mobility to control its spread, reducing consumption and thus causing prices to fall again. In February 2022, at its 25th Ministerial Meeting, OPEC+ agreed to increase production quotas by a further 400 Kb/d as of March, although it is monitoring the effects of the new variant on the markets to modify the agreed strategy if necessary.

WORLD LIQUID FUELS PRODUCTION AND CONSUMPTION BALANCE



Global oil inventories are expected to increase in 2022 and 2023, as production will outstrip consumption and therefore crude oil stocks will increase by an average of 0.5 Mb/d in 2022 and 0.6 Mb/d in 2023.

The price of Brent crude oil, the benchmark price in Europe, rose by more than 78% from January 2021, when it was at an annual low, to October 2021, when it reached a high of \$84.7/Bbl. Brent averaged \$70.7/Bbl in 2021, 70% above 2020.

DEMAND

After a turbulent 2020, 2021 was marked by life during the pandemic and the return to normality. The progression of vaccination campaigns led countries to relax restrictive measures, resulting in an increase in personal travel and economic activity in general, and thus in demand for oil. In this regard, OPEC forecasts a 6% increase in crude oil demand in 2021 compared to 2020, up to 96.6 Mb/d³.

OPEC also expects world oil demand to rise by 4.2Mb/d in 2022 compared to 2021. The new Omicron variant may have an impact in the first half of 2022, which will depend on the mobility decisions taken by individual countries to contain infections. The petrochemical industry is expected to continue to drive oil demand, while petrol and diesel are expected to continue to recover and reach pre-pandemic levels at some point in 2022. Regarding aviation fuel and although there has been a significant increase in private travel, commercial aviation is not expected to recover to pre-pandemic levels in 2022.

The future behaviour of demand for crude oil and petroleum products will be linked to the evolution of the pandemic and the momentum of the economy. The current geopolitical risk due to tensions between the Middle East and Eastern Europe, as illustrated by the disruption of the pipeline carrying oil from northern Iraq to Turkey and the threat of the current conflict between Ukraine and Russia, will also shape the course of the oil market.

REGULATION

Regulation is an increasingly influential factor in the oil and gas industry, mainly in developed countries, where environmental requirements and technical product specifications are becoming more and more restrictive, with the market demanding ever less polluting products.

At Cepsa we work in advance to ensure that our products meet the required specifications, and that quality and service expectations are met. All this is possible thanks to our adaptable and flexible units, which always offer the best products with the highest added value for the company.

³ OPEC "Oil Market Report" January 2022.

REFINING MARGINS

The European refining market faces a long-term fall in demand, peaking in 2030 and declining from then on⁴. Product oversupply, due partly to refining overcapacity in Europe and also to new refineries in Asia, is the main threat, coupled with heavy regulation and increasingly restrictive environmental requirements, all of which have a significant impact on refining margin variability.

In 2021, refining margins started the year at low levels, although in the first quarter, once the vaccination process was well advanced, especially in Europe and the United States, together with the OPEC+ announcement of the gradual easing of production restrictions, the outlook for this industry improved. The revival of the economy triggered strong demand from Asia at the beginning of the quarter which, though slowed by a new wave of contagion in Europe leading to further restrictions, allowed for a slight recovery in margins.

In the second quarter of the year, despite the recovery in demand, stocks of oil products in Europe remained high and therefore work at European refineries was kept under control. The exception to this trend was caused by the hacking of the Colonial pipeline in the United States, which led to increased imports from Europe for both immediate consumption and stock replenishment. In addition, developments in petrochemicals, especially benzene, which commanded high prices due to high demand, kept margins at medium-high levels.

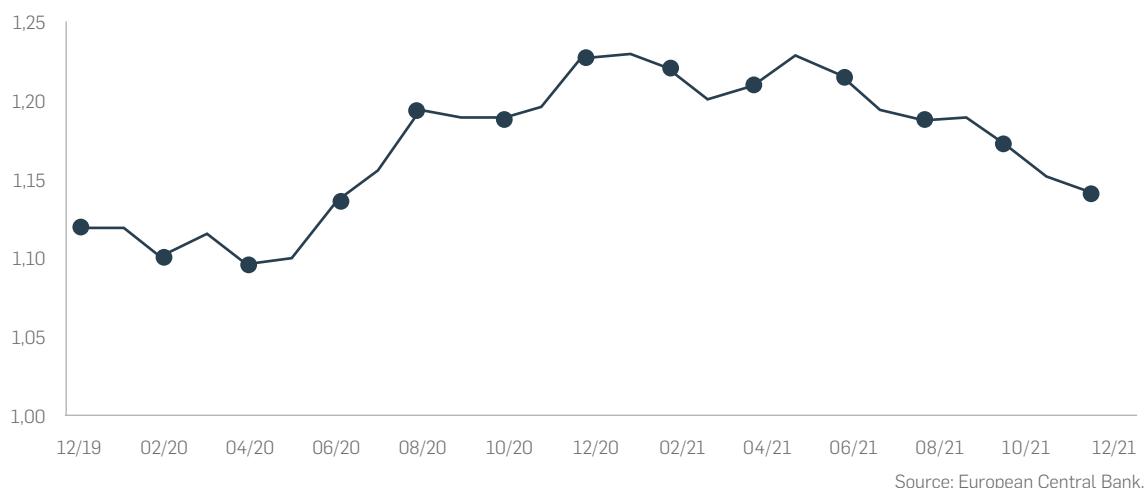
In the third quarter, there was a decrease in distillate stocks in Europe, with petrol and diesel levels below the same period of 2019. This, together with the improvement in demand due, among other aspects, to the removal of restrictions (first full quarter in Spain without mobility restrictions) and the summer period in Europe and North America, drove a rebound in refining margins, which remained at these levels throughout the quarter.

In the final quarter of the year, margins also remained high due primarily to stable demand, although the new Omicron variant again fanned uncertainty in the markets.

EXCHANGE RATE

In 2020, the US currency depreciated sharply against the euro due to the COVID-19 pandemic and the good economic outlook for Europe after the first wave of the pandemic. This effect remained in the first half of 2021, but in the second half the euro fell against the dollar following the emergence of the new COVID-19 variant, which had a significant impact in Europe. The closing exchange rate for 2021 was 1.1326 \$/€.

FOREIGN EXCHANGE TREND DOLAR/EURO



⁴ World Energy Outlook 2021. International Energy Agency.



05.

SOLID ECONOMIC AND OPERATIONAL PERFORMANCE

- 5.1 Key financial and operational indicators
- 5.2 Analysis of the consolidated results
- 5.3 Liquidity and capital resources



5.1 KEY FINANCIAL AND OPERATIONAL INDICATORS



Results (million €)	2021	2020
Revenue (*)	24,532	15,760
EBITDA IFRS (**)	2,194	622
Adjusted EBITDA	1,815	1,187
IFRS Net attributable profit	661	(919)
Adjusted Net attributable profit	310	1
Financial data (million €)	2021	2020
Share capital	268	268
Equity attributable to the Parent Company	4,170	3,944
Net financial debt excluding IFRS 16 impact	2,759	2,825
IFRS Capital Employed	7,753	7,480
Cash Flow from operations	1,306	1,019
Free Cash Flow	915	260
Dividends paid to shareholders	523	196
Investments during the year	473	652
Environment data	2021	2020
Annual average Brent crude oil price (\$/barrel)	70.7	41.7
Annual average exchange rate (€/€)	1.18	1.14
Spanish pool price (€/MWh)	111.9	34.0
Dutch TTF Natural Gas price (€/MWh)	45.7	9.3

(*) Excise tax oil and gas included.

(**) International Financial Reporting Standards.

Markets and business data	2021	2020
Working interest production (thousands b/d)	73.9	75.8
Net entitlement Crude Oil production (thousands b/d)	61.3	66.1
Average realised crude price in \$/b	68.2	41.6
Crude oil sales (million of barrels)	18.7	19.2
Upstream Opex (\$/boe)	9.2	10.2
Crude oil distilled (million of barrels)	145.2	138.4
Output (million of tons)	20.3	19.3
Utilisation Rate Refineries	81%	78%
Refining margin indicator (\$/barrel)	3.7	2.6
Commercial Sales	16.2	14.8
Chemical products sales (millions of tons)	2.9	2.8
Electricity output (GWh)	2,719	2,799
Installed renewable power capacity (MW)	28.9	28.9
Natural gas sales (GWh)	34,374	30,918



5.2 ANALYSIS OF CONSOLIDATED RESULTS



A) OVERALL TREND DURING THE YEAR

Key Indicators	Million €	
	2021	2020
Revenue(*)	24,532	15,760
Adjusted EBITDA	1,815	1,187
EBITDA IFRS	2,194	622
Adjusted NIAT attributable to parent company	310	1
IFRS NIAT attributable to parent company	661	(919)
Cash Flow from operations	1,306	1,019
Free cash flow	915	260
Investments during the year	473	652

(*) Excise tax oil and gas included.

In 2021, Cepsa performed solidly thanks to the organisation's continued focus on leveraging efficiencies and operational excellence, combined with an improving market environment. This is despite the challenges of rising energy prices, demand still below pre-pandemic levels and instability caused by the various waves of COVID-19 in 2021.

The Cepsa Group significantly increased revenue to €24,532 million, 56% higher than in 2020 and 3% above 2019 (pre-COVID levels), driven by higher oil prices and increased crude oil production in MENA, improved margins, growth in Refining production and the consistent performance of both the Marketing and Chemicals areas. The results of all the Cepsa Group's segments improved in relation to 2020.

The Refining business, which in the previous year was significantly impacted by extremely low margins, even reaching negative levels, has improved, driven by higher margins and business volumes, which were dragged down in 2020 by the fall in demand. The Exploration and Production business was also boosted by high oil prices, EBITDA having risen 97%.

The Commercial and Chemicals segments improved their results compared to 2020, although to a lesser extent than the other two segments, as these activities were less affected by the COVID-19 crisis. The Marketing segment increased sales due to higher demand following the lifting of mobility restrictions and improved margins thanks to the efficiency measures implemented in the Group's production processes. The Chemicals segment's EBITDA rose 29% due primarily to the good performance of the LAB and Phenol lines.

In addition, management delivered further positive results from the optimization and efficiency program aimed at improving gross margin, capturing sustainable cost efficiencies, and rationalizing capex. This program has had an impact of more than €450m in 2021.

The Group's adjusted EBITDA rose considerably up to €1,815 million or 53% on the previous year.

Similarly, the Group's IFRS EBITDA amounted to €2,194 million, 253% higher than in 2020, after adjusting for the difference between the measurement of inventories at replacement cost and at average unit cost (AUC) and including non-recurring items (see section 5.2.B).

Adjusted Net Profit for the year totalled €310 million after rising by €309 million compared to 2020, while IFRS Net Profit for the year was €661 million against a loss of €919 million in 2020.

The segment breakdown of adjusted EBITDA and Profit/(loss) is as follows:

Million €

Adjusted EBITDA	2021	2020
Exploration & Production	905	458
Refining	93	10
Commercial	478	400
Chemical	461	357
Corporation	(121)	(39)
<i>Adjusted EBITDA</i>	<i>1,815</i>	<i>1,187</i>
Exploration & Production	144	(74)
Refining	(180)	(271)
Commercial	225	169
Chemical	309	205
Corporation	(187)	(27)
<i>Adjusted NIAT attributable to parent company</i>	<i>310</i>	<i>1</i>

Cash flows from operating activities grew significantly to reach €1,306 million, entailing an increase of 28% over 2020, due mainly to improved earnings. Free Cash Flow amounted to €915 million, up from €260 million in 2020, covering debt servicing and dividends.

As regards investments, new assets totalling €473 million were recognised in 2021, 27% below the previous year. In 2021, Cepsa continued to optimise investments by prioritising the selection of the most suitable and profitable projects in view of the Group's strategy.

There follows a breakdown of investments by business segment:

	Million €	
Investments during the year	2021	2020
Exploration & Production	140	158
Refining	167	279
Commercial	82	105
Chemical	61	87
Corporation	23	23
<i>Total</i>	<i>473</i>	<i>652</i>



B) REPLACEMENT COST ADJUSTMENTS AND NON-RECURRING ITEMS

Million €

	2021	2020
Adjusted EBITDA	1,815	1,187
CCS adjustment	470	(491)
Non recurring items	(92)	(74)
EBITDA IFRS	2,194	622
<i>Adjusted NIAT attributable to parent company</i>	<i>310</i>	<i>1</i>
CCS adjustment	351	(369)
Non recurring items	1	(551)
<i>IFRS NIAT attributable to parent company</i>	<i>661</i>	<i>(919)</i>

The adjustments made to the IFRS financial figures are as follows:

- Replacement cost adjustment (RCA):** the difference between the value of inventories owned by the Group at replacement cost (RC), this being the approach employed to obtain the segment information and management information for the company's administrative bodies, and at average cost (AC), the method used to prepare the financial statements under international standards (see note 6 'Segment reporting' of the December 2021 Consolidated Financial Statements).
- In 2021, the RCA adjustment was positive in the amount of €470 million before tax (€351 million net of tax) and is explained by the lower consumption cost of inventories valued at AUC (average for the last twelve months) compared to the value at replacement cost, which has been impacted by the current scenario of high crude oil prices. IFRS EBITDA also includes the 2021 reversal of the impairment of closing inventories of finished goods recognised in 2020.
- Other non-recurring items:** this adjustment was immaterial in 2021. In 2020, impairment losses were recognised on Exploration & Production and Refining assets (in 2020). There were also several non-recurring transactions, notably the voluntary Departure plan "VDP" in past exercise.

C) SEGMENT REPORTING

EXPLORATION AND PRODUCTION

Key indicators	2021	2020
Working interest production (thousands b/d)	73.9	75.8
Mena	65.9	64.0
Latam	8.0	9.7
Other	-	2.1
Net entitlement Crude Oil production (thousands b/d)	61.3	66.1
Crude Oil Sales (million of barrels)	18.7	19.2
Average realised crude price in \$/b	68.2	41.6
Dated Brent oil price (\$/b)	70.7	41.7
Upstream Opex (\$/boe)	9.2	10.2
Adjusted EBITDA (million of euros)	905	458
Adjusted NIAT (million of euros)	144	(74)
Investments for the period (million of euros)	140	158

OPERATIONS

In 2021, the lifting of mobility restrictions in force since 2020 to control the virus allowed an increase in demand for oil products which, together with the production restriction policies imposed by OPEC+, partially eased during the current year, caused demand to outstrip production leading to a significant increase in crude oil prices since the end of the first quarter, prices having remained high all year.

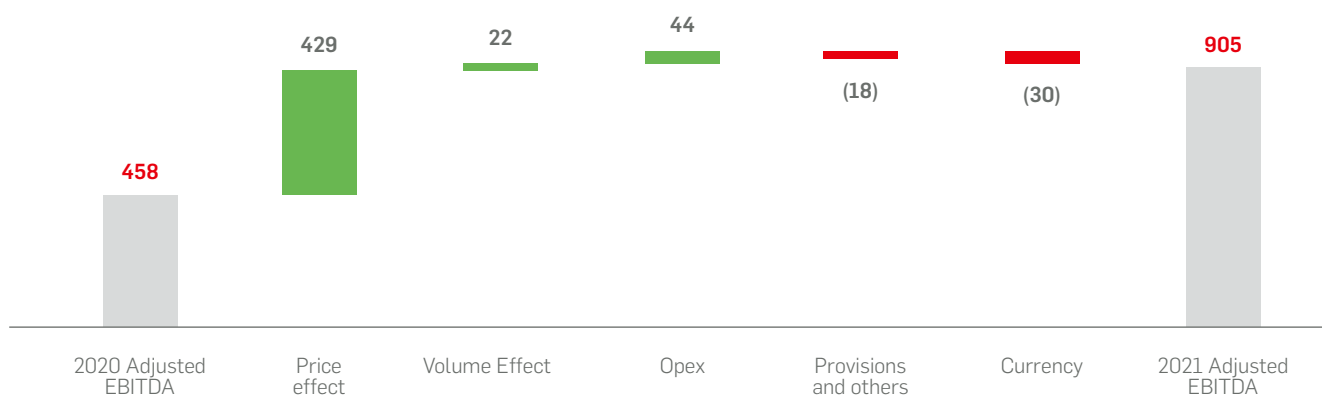
Investee production for the year totalled 73.9 thousand barrels per day, 3% down on 2020, mainly due to lower production from declining fields in Latin America, while MENA production increased slightly.

Production in MENA grew 3% compared to 2020 up to 65.9 thousand barrels per day due to the OPEC+ production quota increase, which is intensifying in new fields in the ramp-up phase.

RESULTS

Crude oil sales in 2021 totalled 18.7 million barrels, in line with 2020, while the average realised price of crude oil was \$68.2/bbl, 64% up on 2020.

ADJUSTED EBITDA EVOLUTION DEC20 - DEC21 (€M)

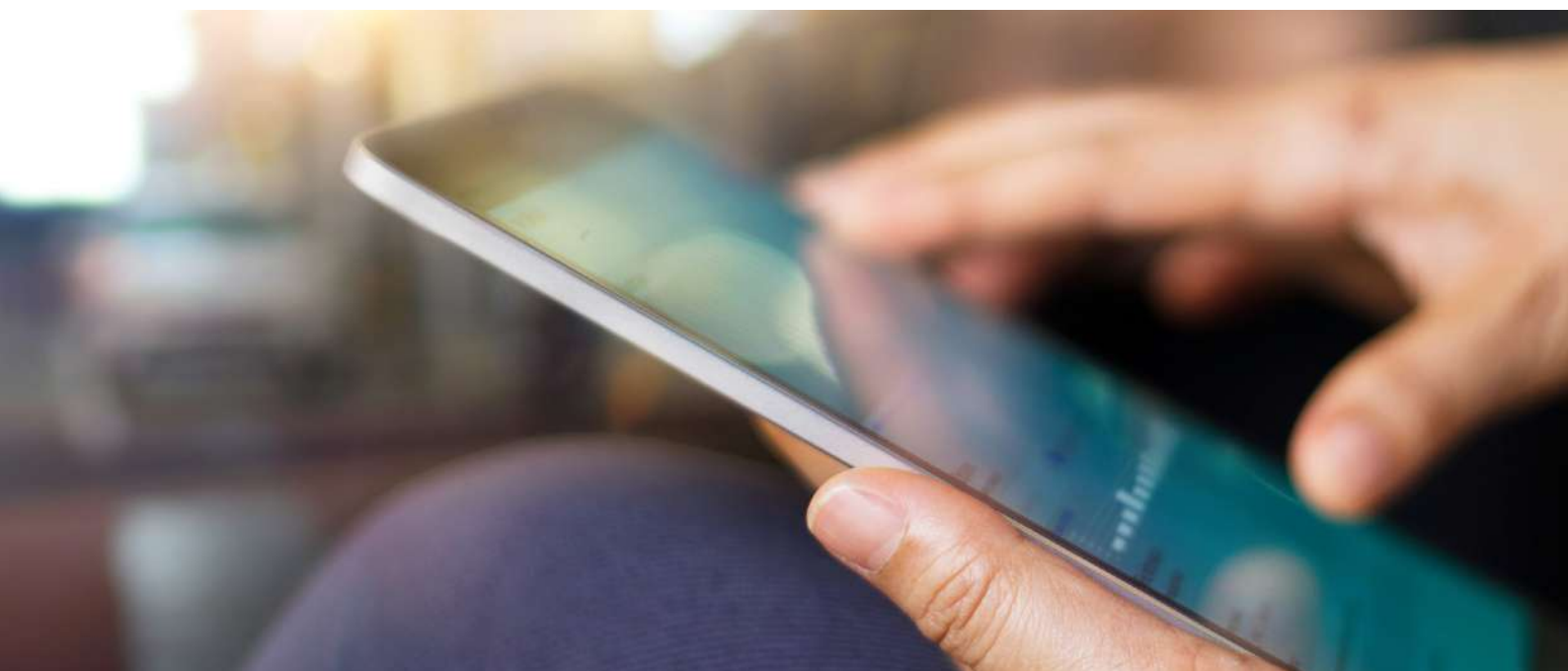


Adjusted EBITDA in the Exploration & Production segment amounted to €905 million in 2021, 98% higher than in 2020.

This increase was mainly due to the significant rise in crude oil realised prices, which had a positive impact of €429 million, and to the increase in crude oil volumes sold in MENA, with a favourable impact on the income statement of €22 million. The decrease in operating expenses due to the disposal of Coastal's assets, which were in terminal phase due to field depletion, had a positive impact of €44 million on the income statement.

Adjusted Net Profit for the year was positive in the amount of €144 million as compared with a loss in 2020.

Investments for the year related primarily to the development of the Sarb and Umm Lulu fields in Abu Dhabi, particularly the start-up of the Umm Lulu Super Complex and the development of the Timimoun gas field in Algeria.



REFINING

Key indicators	2021	2020
Crude oil distilled (million of barrels)	145.2	138.4
Utilisation Rate Refineries	81%	78%
Output (million of tons)	20.3	19.3
Refining margin Indicator in Cepsa (\$/bbl)	3.7	2.6
Natural Gas Sales (GWh)	34,374	30,918
Electricity production (GWh)	2,719	2,799
Installed renewable power capacity (MW)	28.9	28.9
Spanish pool price (€/MWh)	111.9	34.0
Dutch TTF Natural Gas price (€/MWh)	45.7	9.3
Trading volumes (million of barrels)	45.7	24.6
Adjusted EBITDA (million of euros)	93	10
Adjusted NIAT (million of euros)	(180)	(271)
Investments for the period (million of euros)	167	279

OPERATIONS

The Refining business includes Refining, Trading, Gas, Power and Renewables activities.

The Refining segment was positively impacted by the significant improvement in refining margins, driven by the good performance and higher margins of light distillates, particularly petrol, as well as the increase in petrochemicals prices thanks mainly to the higher demand for these products. The Refining margin indicator averaged 3.7 \$/bbl in 2021, 38% higher than in 2020, closing the year at 7.8 \$/bbl.

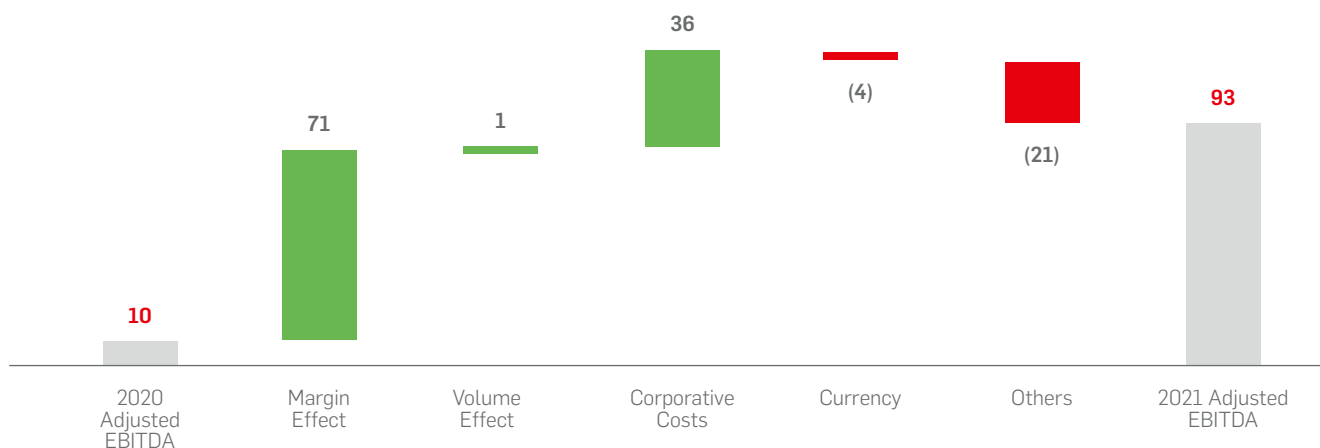
Refining operations in 2021 improved slightly in relation to 2020. In particular, crude oil distillation averaged 81% of installed capacity, entailing an increase of 3% over 2020. The average annual utilisation was undermined by the closure of the La Rábida Refinery until April 2021. In 2021, 20.3 million tonnes of petroleum products were produced, 5% up on 2020 due primarily to increased demand and despite being unable to maximise the installed capacity of our refineries.

RESULTS

Natural gas sales were 11% above 2020, although they were negatively impacted by the significant increase in gas prices, which could not be passed on to end customers.

Power production, though slightly down compared to 2020, was favoured by a higher electricity pool price (+229% compared to December 2020).

ADJUSTED EBITDA EVOLUTION DEC20 - DEC21 (€M)



The Refining segment significantly increased adjusted EBITDA in relation to 2020 (+820%) thanks to margin growth, the recovery of demand and improved refinery utilisation. Performance in the second half of the year, especially in the last quarter, when all our units were at practically full capacity, is particularly worthy of note.

The increased refining margin had a positive impact of €71 million on EBITDA. This was achieved in a context of soaring energy costs, which forced us to redouble our efforts to consume more efficiently, allowing us to mitigate this impact and generating fixed cost savings of €36 million.

Segment investments focused on improving industrial facilities to minimise environmental impacts and enhance efficiency and safety. We are also undertaking a digital transformation process to boost refinery competitiveness and lead the industry's technology transition.

COMMERCIAL

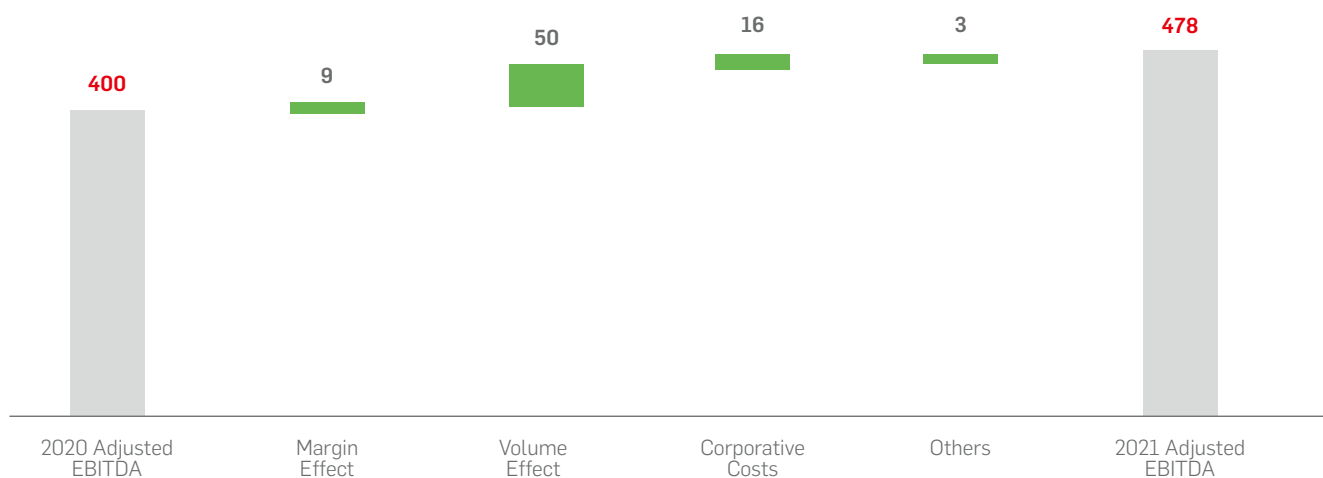
Key indicators	2021	2020
Product sales (million of tons)	16.2	14.8
Fuels and motor fuels (millions of tons)	9.3	8.5
Bunker sales (millions of tons)	3.7	3.5
Jet fuels (millions of tons)	1.4	1.3
Others (millions of tons)	1.8	1.5
Number of petrol stations	1,753	1,783
Adjusted EBITDA (million €)	478	400
Adjusted NIAT (million €)	225	169
Investments for the period (million €)	82	105

OPERATIONS

In 2021, 16.2 million tonnes were marketed through the Group's various sales channels, which was 9% above the same period of the previous year. This increase in sales in relation to 2020 is explained mainly by the business recovery thanks to the gradual easing of the mobility restrictions imposed on the population, though still below pre-pandemic levels. Specifically, demand in the automotive petrol and diesel market rose 24% and 12% against 2020. For Cepsa, sales of these products improved by 33% and 16%, respectively.

RESULTS

ADJUSTED EBITDA EVOLUTION DEC20 - DEC21 (€M)



The Commercial segment business recovered significantly, improving EBITDA by 20% following the drop in demand and fall in oil product prices in 2020 due to COVID-19. Of note is the 3% rise in EBITDA against 2019 (pre-COVID levels).

The improvement in 2020 was mainly driven by higher sales volumes (€50 million) thanks to increased demand. €16 million of fixed cost savings were also captured compared to 2020 as a result of the Multi-annual Efficiency Program efficiency measures.

Adjusted Net Profit totalled €225 million, 33% higher than the previous year.

With regard to Commercial segment investments, the agreement reached with Redexis to create the first global photovoltaic energy network in service stations in Europe is worthy of note. By 2021, panels had already been installed in 80 service stations.



CHEMICALS

Key indicators	2021	2020
Chemical products sales (millions of tons)	2.94	2.80
LAB / LABSA	0.67	0.70
Phenol / Acetone	1.61	1.5
Solvents	0.66	0.57
Adjusted EBITDA (million of euros)	461	357
Adjusted NIAT (million of euros)	309	205
Investments for the period (million of euros)	61	87

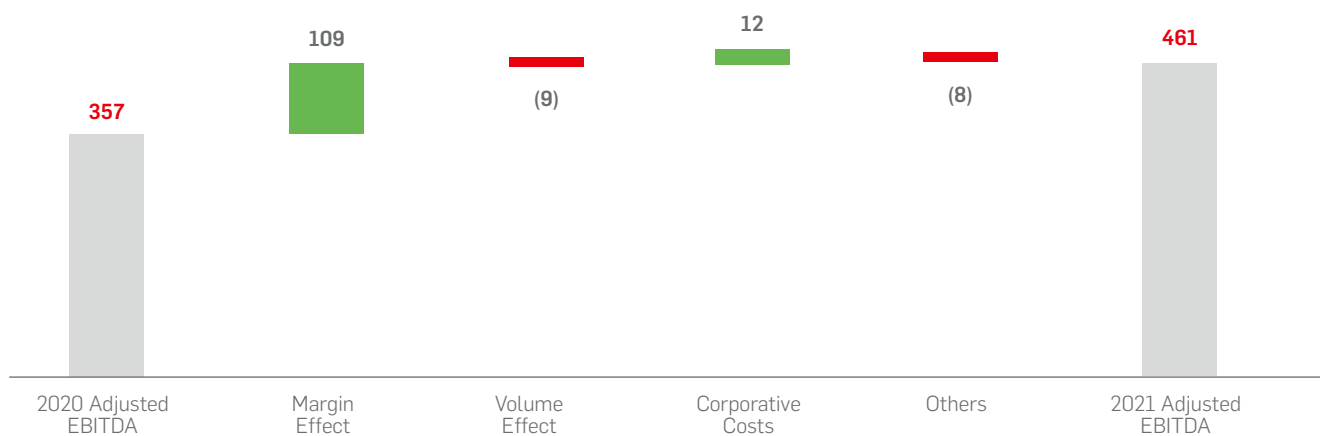
OPERATIONS

Sales of chemicals were 5% up on 2020, exceeding 2.9 million tonnes. Sales made by the Solvents business unit were 16% higher than in 2020.

In 2021 we also produced LAB for the first time using palm oil, a renewable raw material of vegetable origin.

RESULTS

ADJUSTED EBITDA EVOLUTION DEC20 - DEC21 (MILLION €)



For the second consecutive year, the Chemicals business posted record figures, improving in all its business lines and reaching adjusted EBITDA of €461 million, 29% above 2020.

This EBITDA improvement is mainly thanks to margin increases in the LAB business and high margins in the phenol-acetone business, partly due to the shortage of raw materials and strong demand for this product throughout the year. The efficiency measures implemented also brought fixed cost savings of €12 million.

The Solvents business remained in line with previous years, although it was sensitive to the availability of raw materials as a result of reduced refinery throughput.

The growth of the alcohol business is worth highlighting, as it contributed a result at December 2021 six times higher than in the same period of 2020, although it is not yet significant within the segment.

The Chemicals area's Adjusted Net Profit totalled €309 million, 51% up against the previous year.

With regard to investment projects in the Chemicals segment, the transformation of the Puente Mayorga chemicals plant, where the new DETAL technology has been implemented, was successfully completed. This project has increased LAB production by making the process safer, more efficient and sustainable.

D) CONSOLIDATED GROUP ROACE

The Group's return on average capital employed is reflected in the following Adjusted ROACE:

Million €

		12.31.2021	12.31.2020
Adjusted ROACE	=	$\frac{\text{Adjusted Net Operating Profit}}{\text{Average Adjusted Capital Employed}}$	=
		$\frac{453}{7,616} = 5.9\%$	$\frac{96}{8,064} = 1.2\%$

This metric is used by Group management to assess the capacity of operating assets to generate profits and is therefore a measure of the efficiency of invested capital (equity and debt).

E) WORKING CAPITAL

Set out below is a breakdown of working capital at 31 December:

Million €

	2021	2020
Inventories	3,025	1,419
Trade and other receivables	2,374	1,388
Other current assets	325	97
<i>Working capital assets</i>	<i>5,724</i>	<i>2,903</i>
Other finance liabilities	4,449	2,380
Other current liabilities	54	41
<i>Working capital liabilities</i>	<i>4,503</i>	<i>2,421</i>
Working Capital	1,221	483

¹ Included inventories, trade and other receivables, other current financial assets, and other current assets.

² Included trade and other payables, other current liabilities without the dividend pending pay.

The increase in working capital is explained primarily by higher investment in inventories (up €1,606 million), due to both the rise in international crude oil prices and demand growth. As a result, trade receivables were €986 million above the 2020 figure. Similarly, trade payables increased due to the growth of inventories, mainly related to crude oil supplies.

The Group's average supplier payment period was 25 days, which is below the legal maximum limit of 60 days laid down in Law 15/2010 of 5 July on measures to combat late payment in commercial transactions.

F) TREASURY SHARES

At year-end 2021, the company holds 156,671 treasury shares and its wholly-owned subsidiary Magna Expergere, S.A.U. holds 400,000 shares in the company. These shares represent 0.1% of share capital. The company did not hold any treasury shares at 31 December 2020.

The treasury shares held are new shares issued in the capital increases carried out during the year and purchased by the company to make the shareholder structure more flexible.

G) EVENTS AFTER THE REPORTING PERIOD

On 1 January 2022, the Group appointed Maarten Wetselaar as new Chief Executive Officer to replace Philippe Boisseau.

As of January 1, 2022, Carmen de Pablo joined the Group as the new Chief Financial Officer.

In relation to the conflict between Russia and Ukraine which initiated in February 2022, it should be noted that the Cepsa does not own or operate any assets, nor holds relevant commercial relationships with customers in Russia or Ukraine. Furthermore, the company does not source crude oil from either of these two countries. As such, the impact of this conflict on Cepsa will be mostly derived from the increased volatility in commodity prices, the evolution of the overall macroeconomic conditions and its effect on demand and economic growth.

There have been no more significant subsequent events to be mentioned in this section.

5.3 LIQUIDITY AND CAPITAL RESOURCES



A) CASH FLOWS

Million €

	2021	2020
EBITDA IFRS	2,194	622
Dividends received	15	13
Income tax payments/collections	(372)	(257)
Other operating cash flows	45	38
<i>CF from operating activities before working capital</i>	<i>1,881</i>	<i>416</i>
Changes in operational working capital	(575)	603
<i>Cash flow from operating activities</i>	<i>1,306</i>	<i>1,019</i>

Payments for investing activities	(501)	(774)
Charges for divestments	110	15
<i>Total cash flows used in investing activities</i>	<i>(391)</i>	<i>(758)</i>
<i>Free cash flow</i>	<i>915</i>	<i>260</i>
Interest paid	(93)	(97)
IFRS 16 debt payments	(134)	(136)
Dividends paid	(528)	(209)
Proceeds/repayment of borrowings	(870)	986
<i>Total Cash Flow from financing</i>	<i>(1,624)</i>	<i>544</i>
<i>Net increase (decrease) in cash and cash equivalents</i>	<i>(710)</i>	<i>804</i>

Cash flows from operating activities before changes in working capital amounted to €1,881 million, having risen 352% against 2020, driven by the improvement of EBITDA. The change in working capital was negative by €575 million due to the general increase in raw material prices and higher activity levels.

Cash flows from investing activities fell in relation to the previous year due to the streamlining of investments already implemented by the Group in 2020 as part of the 'Multi-year Efficiency Programme' designed to preserve cash flow generation.

Dividends of €528 million were paid out during the year. This heading also includes dividends paid to non-controlling interests in the Group's subsidiaries.

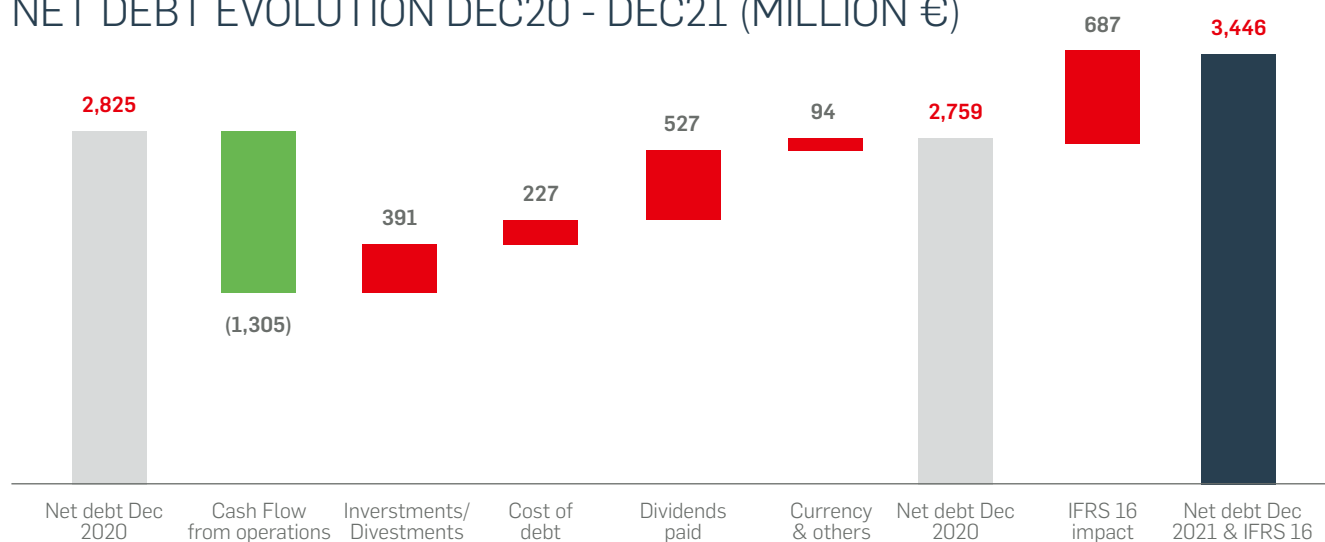
Free cash flow before dividends and interest was 3.5 times higher than in 2020, covering interest and dividend payments for the year.

B) FINANCIAL POSITION

Net financial debt at 31 December 2021 stood at €2,759 million, 2% lower than in 2020 (€2,825 million). Financial debt including the effect of IFRS 16 amounts to €3,446 million (€3,451 million in 2020).

This chart shows the debt trend based on sources and applications of funds.

NET DEBT EVOLUTION DEC20 - DEC21 (MILLION €)

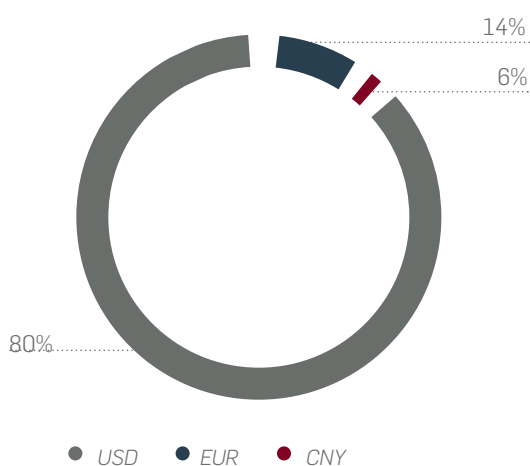


C) DEBT STRUCTURE AND MAIN FINANCING TRANSACTIONS

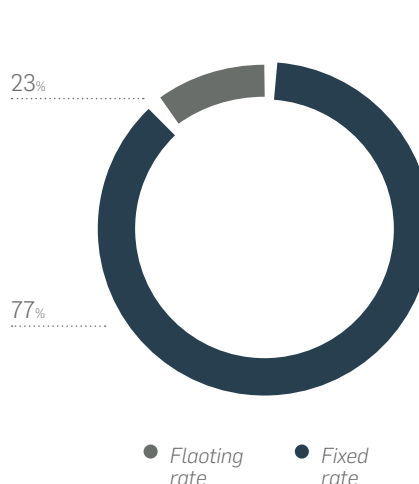
I. DEBT STRUCTURE AND MATURITIES

Net debt by currency and interest rate is analysed below at 31 December 2021 (including the impact of related derivatives and excluding IFRS 16 impact):

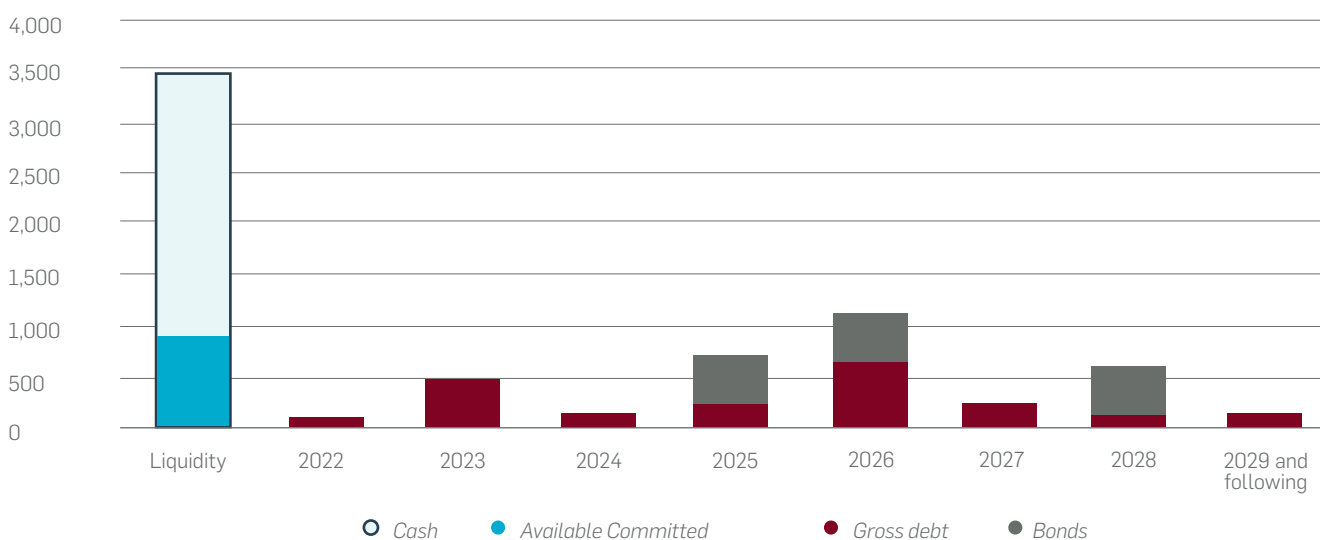
NET DEBT BREAKDOWN BY CURRENCY



NET DEBT BREAKDOWN BY INTEREST RATE



Maturities of gross debt are as follows (million €):



Cepsa applies a conservative financial policy, keeping available sufficient cash and cash equivalents, and undrawn committed credit lines to cover debt maturities for over four years without the need for recourse to the markets to obtain new financing or refinance existing lines.

The Group has available cash and committed credit lines amounting to around €3,476 million, well in excess of short-term debt maturities. Gross debt has an average maturity of 3.9 years.

II. MAIN FINANCING TRANSACTIONS

As has been customary since its signing in 2014, approval was received from the 18 banks issuing the EUR 2,000 million line of credit to extend the maturity one more year. With unanimous consent therefrom, this set the maturity at September 2026, notably improving Cepsa's liquidity quality. No amounts had been drawn down on this syndicated credit line at 31 December 2021. This renewal has bolstered the company's balance sheet and strengthened our liquidity position.

The investment grade rating of Cepsa's bonds was reaffirmed by the three main credit rating agencies this year.

At the year-end, the Cepsa Group companies had undrawn credit facilities amounting to €2,819 million.

Finally, Cepsa has not had to comply with any financial ratios in its financing contracts as it holds the status of a company with an external rating, which is expected to be maintained throughout 2022.

D) FINANCIAL AUTONOMY RATIO AND LEVERAGE RATIO

The financial autonomy ratio (including the impact of IFRS 16), expressed as the ratio of net debt to capital employed (net debt plus equity), stood at 44% at December 2021, as compared with 46% at December 2020. This decrease is mainly due to improved results in relation to the previous year.

	Million €	
Gearing ratio	2021	2020
Bank borrowings non-current	3,818	4,573
Bank borrowings current	285	236
Cash and cash equivalents	(657)	(1,358)
<i>Net debt paid</i>	3,446	3,451
<i>Equity</i>	4,307	4,029
<i>Capital Employed IFRS</i>	7,753	7,480
Net Debt/(net debt + Equity)	44.4%	46.1%
<i>IFRS 16 impact in net debt</i>	687	626
<i>Net debt paid (*)</i>	2,759	2,825
<i>Capital Employed IFRS (*)</i>	7,066	6,854
Net Debt/(net debt + Equity) (*)	39.0%	41.2%

(*) Excluding IFRS 16 impact.



The leverage ratio improved considerably to reach 1.9x at December 2021, driven by higher earnings during the year compared to 2020. It remains at levels close to those of December 2019 (pre-COVID figures).

Million €

Leverage ratio	2021	2020
Net debt paid	3,446	3,451
Adjusted EBITDA	1,815	1,187
Net debt / Adjusted EBITDA ratio	1.9x	2.9x
<i>Net debt paid*</i>	<i>2,759</i>	<i>2,825</i>
<i>Adjusted EBITDA*</i>	<i>1,681</i>	<i>1,051</i>
Net debt / Adjusted EBITDA ratio*	1.6x	2.7x

(*) Excluding IFRS 16 impact.

D) CAPITAL EMPLOYED

The Group's capital employed stood at €7,753 million at 31 December 2021 (considering the effect of IFRS 16), against €7,480 million at December 2020. The segment breakdown is as follows:

Million €

Capital Employed IFRS by business segments	Exploration & Production	Refining	Commercial	Chemicals	Corporation	Total
Capital Employed at 12/31/2021	1,977	3,275	1,144	1,308	49	7,753
Capital Employed at 12/31/2020	1,928	3,118	1,269	1,150	14	7,480
Variation 2021 - 2020	50	157	(125)	157	35	274

Equity attributed to the parent company amounted to €4,170 million at the year-end and therefore funds 54% of the capital employed at that date.

INTEGRATED
MANAGEMENT REPORT
2021



06. ADDITIONAL CONTENT

- Appendix 1** About this report
- Appendix 2** The company's main risk
- Appendix 3** Internal control system
- Appendix 4** Sustainability additional information
- Appendix 5** Financial additional information
- Appendix 6** EU Taxonomy
- Appendix 7** GRI indicators index
- Appendix 8** Table of contents of the non-financial information law
- Appendix 9** SASB indicators index



APPENDIX 1 ABOUT THIS REPORT

1.1 CRITERIA AND STANDARDS CONSIDERED WHEN PREPARING THIS REPORT



This 2021 Integrated Management Report reaffirms our commitment to constantly strive to be a transparent company, responding to the information needs and requirements of all our stakeholders. It describes our new organisation designed to lead the energy transition and allow us to carry on building value, as well as our business performance during the year, our economic, environmental and social impacts, and the actions we have taken to manage them.

The information included in this Integrated Management Report fulfils the requirements of Law 11/2018 of 28 December on non-financial information and diversity, which amended the Spanish Code of Commerce, the Consolidated Text of the Spanish Companies Act introduced under Royal Decree-Law 1/2010 of 2 July and Law 22/2015 of 20 July on Auditing, in relation to non-financial information and diversity.

The table of contents of the Non-Financial Information Statement identifies the contents that respond to these legal requirements.

This document also includes additional information to that required by current commercial regulations in relation to non-financial reporting requirements. The 2021 Integrated Management Report has been prepared in accordance with the requirements of the GRI Standards Core Option, including the reporting requirements of the Oil & Gas sector supplement. We have also followed the recommendations of other internationally recognised reporting standards: the International Integrated Reporting (<IR>), the United Nations Global Compact Principles, the Task Force on Climate-related Financial Disclosures (TCFD) on financial risks related to climate change, and the sector-specific Sustainability Accounting Standards Board (SASB), that allow us to identify, manage and communicate financially relevant sustainability information to investors. We continue to report on our commitment and contribution to the achievement of the Sustainable Development Goals.

The content of the report has been defined in line with the findings of the company's materiality analysis, which was carried out prior to the reporting date. This analysis was conducted following a methodology that allows us to meet and comply with the requirements of the GRI standard and the principles for defining the content of sustainability reports (including stakeholders, the sustainability context, materiality and completeness).

Similarly, the 2021 Integrated Management Report has been prepared in accordance with the reporting principles relating to the GRI standard definition of quality (accuracy, balance, clarity, comparability, reliability and timeliness). The information included has been verified by an independent third party under the ISAE 3000 standard to a limited level of assurance.

For further information on this report, the company has made the following address available to its stakeholders: sustainability@cepsa.com

1.2 REPORTING SCOPE

The scope of the non-financial information encompasses the companies controlled by Cepsa that are fully or proportionately consolidated.

This scope includes companies that have personnel expenses and those that have production, storage or marketing facilities.

This 2021 Integrated Management Report therefore provides consolidated information on the entire Cepsa Group in relation to impacts and performance in economic, environmental and social aspects of our activities, as well as all the additional information necessary to facilitate understanding of the results and trends.

Should any of the data included in the report have a different scope to that indicated in the previous paragraph, the specific scope is reflected in the relevant chapter and in the GRI, SASB and NFS table. Similarly, quantitative data from previous years that have been recalculated or changed will be identified in the corresponding chapter in the interests of comparability.

1.3 DESCRIPTION OF THE MATERIALITY ANALYSIS

The standards contained in the GRI Guidelines require organisations reporting in accordance with GRI requirements to conduct a materiality analysis to help them determine the content to be included. This requirement is also applicable to the Non-Financial Reporting Statement (NFS) prepared by companies that come under Law 11/2018, as is the case of Cepsa.

We regularly conduct materiality analyses in which we identify and analyse the importance of material sustainability issues for us and our stakeholders.

The materiality analysis methodology is entirely data-driven. Surveys, benchmark studies of industry companies, analyses of mandatory and voluntary regulations, and news and publications in social media have been used to rank the issues in terms of importance for our previously identified and segmented stakeholders. To gauge internal relevance, we have analysed our corporate policies, the 2020 Integrated Management Report, our priority Sustainable Development Goals and our public communication in the last two years.

The materiality analysis allows us to determine the most relevant issues for the company and its stakeholders, which have been structured into critical, very relevant and relevant. The findings of the materiality analysis are available in the 2021 Materiality Analysis section of chapter 2.6 Stakeholders.



APPENDIX 2 THE COMPANY'S MAIN RISKS

The spectrum of risks to which the company is exposed can be classified into four broad categories: strategic risks, financial risks, operational risks and compliance risks.



STRATEGIC RISKS

Related to general contextual factors, positioning and strategic planning, including risks in connection with politics, the economy, technology, etc.

RISKS	DESCRIPTION AND CONTROL MEASURES
Macroeconomic risks	At Cepsa we closely monitor global macroeconomic indicators and includes them in our key processes. The company remains committed to the global nature of business and prioritises the ongoing transformation and optimisation of processes and operations in our industrial facilities and services.
Geopolitical risks	As a global company, Cepsa is exposed to geopolitical tensions arising in the regions in which it operates. So we continuously monitor circumstances in these countries by reviewing a number of potential sources of risk, including security, political stability, government effectiveness, the legal and regulatory environment, fiscal policy and macroeconomics, bribery and corruption.
Energy transition and sustainability: regulation and climate change	Cepsa is working to align its strategy and business with regulatory requirements and stakeholder expectations related to climate change and energy transition. Comprehensive monitoring and tracking of recent and ongoing trends and regulations enables Cepsa to stay at the forefront of the transition. This is the case both at the national level in each country and at the European or global level, by monitoring European regulations on sustainability, fuel quality or the promotion of renewable energies, as well as the recent agreements reached at COP 26 (United Nations Climate Change Conference, 2021).
Demand trends and market competition	Cepsa's products and services compete in markets where product differentiation is a major challenge and face fierce competition in all businesses. Changes in the economic environment, the possibility of new COVID-19 scenarios, regulatory pressure or technological developments and efficiency improvements, leading to changes in consumer preferences, are shaping demand for energy. The search for excellence in customer service, permanent monitoring of market trends and continuous improvement as one of the company's core values are some of the levers used by the company to address these risks.
Stakeholders	Cepsa operates in multiple environments in which there are various stakeholders and may be affected by their opinions and actions, which influence our activities. Responsible and transparent relations with our local communities are an essential, core part of our business as we build value for society and contribute to economic, social and environmental development, as well as integrating into the local area and undertaking social projects.

FINANCIAL RISKS

Arising from the variability of basic raw material prices and other financial variables, from hedging and trading, and from economic, financial and tax management.

RISKS	DESCRIPTION AND CONTROL MEASURES
Raw material price risk	<p>Cepsa is an integrated company engaged in all energy value chain activities and is exposed to fluctuations in the price of raw materials: oil, gas, CO₂, electricity and derivative products. Though business is diversified, fluctuations in commodity markets, possible interventions or supply constraints may lead to unexpected departures from planning assumptions.</p> <p>Price fluctuations, volatilities or liquidity in these markets are constantly recorded and managed using hedging strategies. Projects are also undertaken to improve efficiency and flexibility, and to reduce exposure to energy markets.</p>
Foreign exchange risk	<p>From an operational viewpoint, the US dollar is the currency in which many of the company's commercial transactions are denominated, such as crude oil supplies and a part of its refined product sales. Cepsa manages foreign exchange risk in these transactions centrally and has recourse to the foreign exchange market to hedge the Group companies' overall net cash flow position in dollars.</p> <p>Net asset value risk affecting investments in foreign subsidiaries is mitigated by holding debt in the currency in which each investment is denominated and using net investment hedges.</p> <p>Finally, certain Group companies obtain cash flows in currencies other than their functional currency. In such situations, the company minimises exposure to foreign exchange risk by obtaining financing in the same currency in which the cash flows are denominated, thus generating a natural hedge between the currency of the cash flows and the currency in which the debt is denominated.</p>
Interest rate risk	<p>Cepsa is exposed to interest rate fluctuations in relation to the possible impact on the income statement, the effect on interest income and expense on floating rate loans and credit lines, the effect on certain balance sheet items of changes in the discount rates applied to assets and liabilities, and the possible impact on investment returns due to the effect on discounted cash flows.</p> <p>In order to manage and mitigate this risk, the company holds a certain percentage of financing at fixed rates, or contracts interest rate hedges in the form of financial derivatives where deemed fit.</p>



RISKS	DESCRIPTION AND CONTROL MEASURES
Liquidity risk	<p>Liquidity risk refers to Cepsa's ability to meet all its payment commitments, whether i) operational and recurring, ii) future and associated with its projects and investments or iii) arising from financial debt maturities, and also to overcome stress in the financial markets or in those of its business areas or geographies; all without having to go to the market or to their banks for new financing or to refinance upcoming debt maturities.</p> <p>The company has a conservative financial policy whereby it keeps available amounts in cash and cash equivalents, as well as undrawn committed credit lines (with highly rated institutions) to cover its future payment commitments for a minimum period of 24 months under a cash neutral scenario.</p> <p>Cepsa also works with leading, highly-reputed Spanish and international financial institutions and analyses counterparty risk for all the entities, particularly when negotiating investments and contracting financial instruments.</p>
Credit risk	<p>Cepsa is exposed to credit risk in relation to the potential breach of contractual obligations by counterparties such as suppliers, customers, partners, financial institutions, etc.</p> <p>To manage this risk, the company has a solid credit assessment process in place using computer systems for the comprehensive and automated processing of external and internal commercial and financial information. Scoring models and risk analyst evaluations are then employed to classify counterparties on the basis of credit risk, a credit limit being set in each case and reviewed periodically. The company also takes out credit insurance for most of its commercial counterparties.</p> <p>As regards credit risk in financial investments, financial derivatives and liquid assets, Cepsa works mostly with financial institutions and insurance companies of high credit standing. The company also assesses the creditworthiness of each of these counterparties, assigning a credit limit to each of them.</p>
Sustainable financing	<p>The shift towards a decarbonised, more sustainable economy is one of the aspects that is receiving most attention from public authorities and economic and financial actors.</p> <p>Our sustainability strategy and adapting Cepsa's ESG profile to the increasingly stringent standards of society and market agents such as regulators, investors and financial institutions are priorities. The ESG Department is working on defining the Group's long-term ESG positioning and strategy so as to leverage energy transition opportunities.</p>
Tax strategy and management	<p>The energy industry has its own tax framework. Specific levies on profit, production or product consumption are common in the upstream and downstream sectors. In this context, Cepsa is exposed to changes to tax regulations applicable in the countries where it operates, as well as to different interpretations of legislation by the tax authorities.</p> <p>The main purpose of our tax strategy is to comply with tax regulations applicable to its activities and to ensure that each and every one of Cepsa's companies observes this principle. This commitment is embodied in the 'Fiscal Policy' revised and approved by the Board of Directors in 2021.</p>



OPERATIONAL RISKS

Associated with value chain management, the effectiveness and efficiency of operations, management of resources and people, safety of people and facilities, the environment and asset integrity.

RISKS	DESCRIPTION AND CONTROL MEASURES
Process, personnel and environmental safety	<p>Cepsa's activities could be exposed to operational risks leading to incidents or accidents affecting assets or, in the worst case, damage to third parties or the environment.</p> <p>Actions undertaken to manage this risk include:</p> <ul style="list-style-type: none"> • Implementing a safety management system that integrates safety at all levels of the organisation based on the international OHSAS 18001:2007 standard, in addition to ISO 14001 certification. • Operating our industrial plants in a way that guarantees the integrity of operations, hazard control and risk mitigation measures necessary to minimise the consequences of possible serious accidents, and the highest level of protection and safety both for the people who work for the Cepsa Group and for the assets, processes, environments and populations near to our facilities, an aspect that is reflected in the 'HSEQ Policy' updated in 2021. • Renewing the integrated environmental authorisations at all our plants in Spain to comply with the principles of prevention and control of all processes to minimise environmental impacts. • Implementing a company-wide 'Safety Culture Action Plan' and implementing a strategic plan to maintain and improve safety standards.
Information security	<p>Cepsa's business processes are substantially supported by digital systems, both in the field of information technology (IT) and in operational technology (OT) in our industrial environments. So a potential cyber-attack affecting systems that support critical processes could result in an operational disruption impacting the relevant business units.</p> <p>The company manages this risk by:</p> <ol style="list-style-type: none"> a) Organising the cybersecurity function based on international standards and best practices. b) Cybersecurity Governance, consisting of: <ol style="list-style-type: none"> a. Scorecard management and regular reporting to Comex. b. Promoting a cybersecurity culture through training and awareness-raising activities, including mandatory cybersecurity training and actions simulating real multi-channel attacks. c. OT Information Systems and Cybersecurity regulations, under the umbrella of Cepsa's Cybersecurity Policy and developed by means of specific standards and procedures. d. Third-party cybersecurity risk management. c) Secure architectures implemented in IT and OT environments: strengthening access controls through two-factor authentication and device validation in VPN access. d) Hardening procedures: removal of obsolete protocols / updating of patches. e) Cyber insurance providing sufficient coverage for the risk scenarios identified. f) Cyber resilience: cyber security incident response procedure, including escalation to the highest corporate crisis management body (4C). There is also an ISO 20000-certified continuous improvement process related to Cepsa's technology 'Contingency Plan'.

RISKS	DESCRIPTION AND CONTROL MEASURES
Water management	<p>For Cepsa, sustainability is an essential corporate value and the company works to minimise the impact of its activities. This sustainability pledge has led to water recovery and collection projects, and initiatives to use it in a more rational way.</p> <p>The company closely monitors the quantity and quality of water required for our production activities.</p>
Talent and culture management	<p>The challenges of the energy transition and digital transformation require a new business culture with more participative processes and, above all, a new form of leadership, new talent management and new profiles that we need to identify and develop.</p> <p>In the aftermath of the pandemic, working models have been affected, including the coexistence of face-to-face and remote working models involving new practices that are not always successfully implemented in companies and, at times, personal and business interests are misaligned.</p> <p>Cepsa, as a company immersed in the energy industry's transition challenge, could be particularly impacted if the company's culture is not aligned or synchronised with this transition.</p> <p>Cepsa is developing a transformation programme based on effective communication and active, inclusive leadership, allowing for the parallel evolution of our organisation's culture and strategic transformation.</p>
Project execution	<p>The non-availability of sufficient resources and other factors such as delays, expiry of licences, possible cost overruns and changes in technical, fiscal, regulatory and political conditions could affect project implementation.</p> <p>The company manages this risk by means of thorough planning and permanent control of costs and deadlines.</p>
Supplies	<p>Shortages in the global supply chain and in cargo ships and containers are causing tensions in the raw material and component markets that could lead to a lack of availability of products or higher prices.</p> <p>The identification of critical supplies and spare parts, fluid communication with existing suppliers to assure supplies and contracts that limit delivery risk and international transport prices are some of the actions taken by Cepsa to minimise risk.</p>





COMPLIANCE RISKS

Related to governance and compliance with legal requirements and commitments made, as well as the management of legal affairs.

RISKS	DESCRIPTION AND CONTROL MEASURES
Regulatory compliance	<p>Any breach of regulations could lead to adverse reputational effects, sanctions, other measures or claims for compensation.</p> <p>Cepsa has an effective compliance management system in place to cover this risk and minimise impacts.</p>
Litigation and arbitration	<p>Cepsa manages a number of administrative, judicial and arbitration proceedings relating to claims arising in the ordinary course of business. Regardless of the amount involved in each case, the extent and final outcome cannot be accurately predicted. On the basis of current information, company management considers that the provisions recorded reasonably cover these risks.</p>
Ethical misconduct	<p>Ethical misconduct and non-compliance with legislation can expose the company to criminal or administrative proceedings and negatively affect our reputation, operations, financial results and stakeholder value.</p> <p>In view of the Group's international activities, the company is also subject to anti-corruption and anti-bribery laws in many jurisdictions.</p> <p>Cepsa manages risks of this kind by means of:</p> <ol style="list-style-type: none"> (1) A 'Code of Ethics and Conduct' which sets out the fundamental principles, standards and ethical conduct applicable to all our employees. (2) A criminal and anti-bribery compliance system certified under the standards ISO 37001 and UNE 19601.
Compliance risks associated with economic and trade sanctions imposed by the United States, European Union or other jurisdictions	<p>The failure to comply with these international sanctions could have severe economic effects, particularly in relation to the Group's funding sources or other contractual arrangements with banks.</p> <p>To manage this risk, Cepsa implements a due diligence process with third parties based on the 'Control Policy on Sanctions and Embargoes in Commercial Relations, Exports and Precursor Products' approved by the Board of Directors. These analyses are carried out centrally by the Ethics and Compliance Office and external advice is received based on the risk levels identified in the counterparties and transactions.</p>

APPENDIX 3 INTERNAL CONTROL SYSTEM

The internal control system is based on a combined assurance approach using the IIA (Institute of Internal Auditors)'s three-line model updated in 2020. It provides an integrated view of how the different parts of the organisation interact in an effective and coordinated way, allowing more efficient management and internal control of the entity's relevant risks.



Cepsa's internal control system is overseen on different levels:

BOARD OF DIRECTORS

It approves the company's general policies and strategies and oversees risk management and internal information and control systems. The Board is ultimately responsible for ensuring an internal control environment conducive to reliable, complete and timely financial and non-financial reporting, as well as providing the basis for all other compliance approaches. The oversight of the internal control systems has been delegated to the Audit, Compliance, Ethics and Risk Committee.

AUDIT, COMPLIANCE, ETHICS AND RISK COMMITTEE

As indicated in section "2.9.1 Good Governance", the Committee's remit includes overseeing the effectiveness of Cepsa's internal control system, as well as advising the Board of Directors on all matters relating to risk management, internal control, compliance and internal audit systems.

MANAGEMENT: FRONTLINE ROLES

The Board of Directors and management, as the highest authorities, establish the expected tone at the top when implementing the internal control system, as reflected in the 'Code of Ethics and Conduct', associated policies and certain aspects of the control environment such as organisational structures, segregation of duties, or delegation of authority, among others, which assure an adequate control framework.

Cepsa's frontline professionals directly manage risks and controls and are responsible for implementing and maintaining effective internal control on an ongoing basis.

MANAGEMENT: SECOND-LINE ROLES

Second line of defence functions are primarily responsible for monitoring risks, controls and compliance established by the Board of Directors, proposing improvements and guidelines, and checking frontline implementation.

The main second-line assurance functions at Cepsa, within their respective areas of responsibility, are, among others, (i) the Corporate Risk unit, responsible for the comprehensive risk control and management system, together with business risk functions; (ii) the Compliance and Internal Control units, responsible for proactively ensuring the effective functioning of the compliance and internal

control system (Internal Control over Financial Reporting (ICFR) system, Internal Control over Non-Financial Reporting (ICNFR) system and Crime Prevention Model (CPM)); (iii) the Cybersecurity unit, which supervises, monitors and reports on IT and cybersecurity system risks; and (iv) the Health, Safety, Environment and Quality (HSEQ) Department, which oversees, monitors and reports on industrial plant and environmental safety risks.

THIRD LINE OF DEFENCE: INTERNAL AUDIT

The Internal Audit function, as the third line of defence, proactively ensures that the internal control systems are working properly, performing its activities in accordance with international standards on Internal Auditing and holding the Quality Certificate granted by the International Institute of Internal Auditors. The Internal Audit Department has a specific quality team that audits the quality of the internal audits undertaken annually at Cepsa so as to assure that internal standards are met.

As a guarantee of independence, the Internal Audit, Compliance and Risk area reports functionally to the Audit, Compliance, Ethics and Risk Committee and hierarchically to the Chief Legal & Assurance Officer.

The annual internal audit plan has a risk-based approach designed to support the achievement of Cepsa's objectives, responding at all times to the requirements of the Audit, Compliance, Ethics and Risk Committee, and including specific requests made by management.

Reviews of the internal control system are performed annually in coordination with the statutory external auditors and the external auditors of the Crime Prevention Model, checking the most critical controls to verify the proper functioning of the system prior to certification.

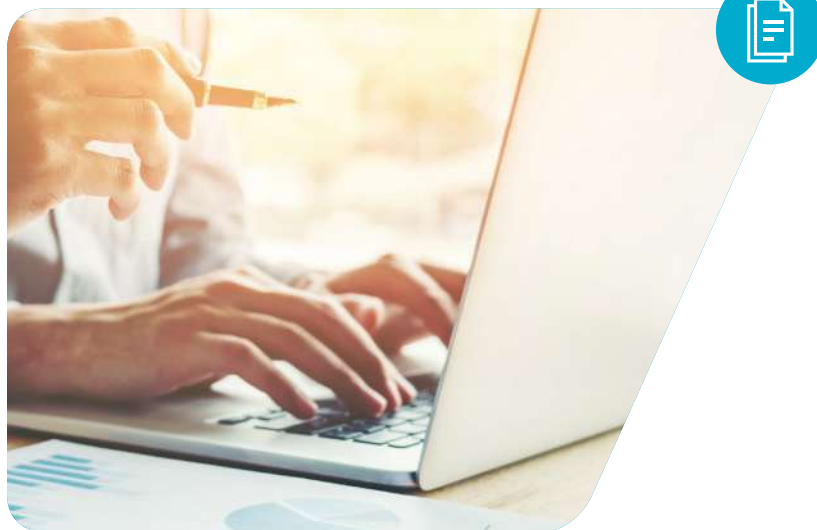
EXTERNAL ASSURANCE PROVIDERS

External auditors and regulators independently supervise compliance with Cepsa's requirements and the controls in place to guarantee that corporate governance and the risk control management system are effective. The standards and certifications supporting these reviews are addressed in section "2.9.4 Internal Control System" of this report.



APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION

4.1 STAKEHOLDERS



CONTRIBUTION TO INITIATIVES AND ASSOCIATIONS ¹

	2021	2020	2019	2018
Cost of contributions to initiatives and associations ¹	2,157,113	2,204,537	1,999,001	1,975,063

¹ The information concerning expenses includes industry and business associations and foundations that promote actions to inform society and enable us to bolster stakeholder relationships. Cepsa does not finance or support directly or indirect any other type of trade unions, civil servants, politicians, political parties, their representatives and / or candidates, advisors or any other person carrying out public duties or who is a person of trust of the foregoing. The information for 2018 reflects the total expense for all Cepsa's associations given that at the time, this information was not broken down by type of expense.

BREAKDOWN OF CONTRIBUTION BY AREA

% of expenditure assigned to bolstering our stakeholder relationships and defence of the industry by area (€)

	Description	Total expense 2021
Refinery	% participation in AOP and Fuels Europe	212,332
Chemicals	% participation in CEFIC and Feique	113,366

¹ Expenses include industry and business associations and foundations engaged in activities of interest to stakeholders, which allows us to bolster stakeholder relationships and promote actions to inform society.

OTHER MAJOR EXPENDITURE

% of contribution to associations assigned to bolstering our stakeholder relationships and defence of the industry (€)

	Type of organization	Total expense 2021
Fuels Europe	Industry association	128,332
CEFIC	Industry association	83,786
AOP	Industry association	84,000

4.2 OUR CUSTOMERS

MANAGEMENT OF CLAIMS RECEIVED FROM CUSTOMERS

	2021 ¹	2020
Claims received	893	12,245
Claims considered valid	643	11,575
Resolved (%)	99.88%	96.43%
Pending closure (%)	0.11%	3.57%

¹ The difference between 2020 and 2021 data is due to the sale of the Cepsa Hogar customer portfolio in January 2021. Only including complaints submitted by Cepsa Hogar customers to the customer care service for matters arising prior to the sale. The data on the number of claims relate to complaints managed by the Customer Experience, Customers and Marketing area for all commercial activities included in the scope.

CUSTOMER COMPLAINTS RELATED TO PRIVACY AND DATA LOSS¹

	2021	2020
Complaints received by third parties and corroborated by the organisation	2	-
Complaints from regulatory authorities	2	-
<i>Total</i>	4	0

¹ No claims in 2020. In 2021, complaints by third parties and regulatory authorities were addressed. The complaint and request for information from the Spanish Data Protection Agency (AEPD) was not admitted by the AEPD and was shelved.

LEAKS, THEFT AND/OR LOSS OF CUSTOMER DATA ¹

	2021	2020
Data leakage	3	-
Data theft	-	-
Data loss	-	-
<i>Total</i>	3	0

¹ No cases were reported in 2020. There were three incidents in 2021: 1 internal and 2 relating to Cepsa suppliers. Only one was classed as reportable to the Spanish Data Protection Agency, which decided to close the incident without a penalty or further requirement. The three cases were dealt with following the internal and external action protocol and the respective reports were issued.

4.3 A DIVERSE AND INCLUSIVE WORK ENVIRONMENT

4.3.1 Description of the workforce¹

EMPLOYEES AS OF 31 DECEMBER 2021 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Manager	0	0	14	29	8	61	112
Head of Department	1	1	116	308	65	200	691
Senior Technician	34	84	500	828	122	387	1,955
Intermediate Technician	19	29	224	527	88	332	1,219
Specialist	245	300	1,585	2,055	547	939	5,671
Administrative employee	8	3	34	21	14	13	93
Assistant	3	15	11	31	11	8	79
<i>Total</i>	310	432	2,484	3,799	855	1,940	9,820

¹ The main difference in terms of employee numbers concerns service stations due to temporary cover (temporary incapacity and holidays), on the one hand, and employees on indefinite contracts as a result of the incorporation of new service stations, on the other.

EMPLOYEES AS OF 31 DECEMBER 2020 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Executive Committee	0	0	0	0	1	8	9
Manager	0	0	8	15	4	56	83
Head of Department	0	2	100	284	56	191	633
Senior Technician	32	56	505	866	101	353	1,913
Intermediate Technician	44	58	243	548	81	309	1,283
Specialist	177	266	1,582	2,116	491	938	5,570
Administrative Employee	7	4	39	28	18	13	109
Assistant	3	6	14	31	8	18	80
<i>Total</i>	<i>263</i>	<i>392</i>	<i>2,491</i>	<i>3,888</i>	<i>760</i>	<i>1,886</i>	<i>9,680</i>

EMPLOYEES BY COUNTRY

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Algeria	12	103	115	13	115	128
Belgium	5	3,5	9	5	5	10
Brazil	37	142	179	41	137	178
Canada	17	54	71	15	51	66
China	25	101	126	19	105	124
Colombia	36	100	136	40	118	158
United Arab Emirates	5	22	27	9	25	34
Spain	3,139	5,321	8,460	3,005	5,272	8,277
United States	0	0	0	1	1	2
Italy	2	4	6	2	4	6
Morocco	0	2	2	-	3	3
Malaysia	0	1	1	0	1	1
Mexico	5	7	12	5	5	10
Netherlands	3	2,5	6	3	3	6
Peru	5	26	31	7	27	34
Portugal	341	270	611	317	273	590
UK	4	5	9	4	5	9
Singapore	2	4	6	2	4	6
Thailand	11	3	14	26	12	38
<i>Total</i>	<i>3,649</i>	<i>6,171</i>	<i>9,820</i>	<i>3,514</i>	<i>6,166</i>	<i>9,680</i>

EMPLOYEES AS OF 31 DECEMBER 2021 BY AGE GROUP, GENDER, TYPE OF CONTRACT AND PROFESSIONAL CATEGORY

Type of contract	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
N° of employees on permanent contracts	Manager ¹	0	0	14	29	8	61	112
	Head of Department	1	1	116	308	65	200	691
	Senior Technician	29	63	498	823	122	387	1,922
	Intermediate Technician	12	21	217	523	88	332	1,193
	Specialist	96	145	1,278	1,873	503	910	4,805
	Administrative employee	8	3	34	21	14	13	93
	Assistant	3	14	10	26	11	6	70
<i>Total n° of employees on permanent contracts</i>		<i>149</i>	<i>247</i>	<i>2,167</i>	<i>3,603</i>	<i>811</i>	<i>1,909</i>	<i>8,886</i>
N° of employees on temporary contracts	Manager	0	0	0	0	0	0	0
	Head of Department	0	0	0	0	0	0	0
	Senior Technician	5	21	2	5	0	0	33
	Intermediate Technician	7	8	7	4	0	0	26
	Specialist	149	155	307	182	44	29	866
	Administrative employee	0	0	0	0	0	0	0
	Assistant	0	1	1	5	0	2	9
<i>Total n° of employees on temporary contracts</i>		<i>161</i>	<i>185</i>	<i>317</i>	<i>196</i>	<i>44</i>	<i>31</i>	<i>934</i>
<i>Total</i>		<i>310</i>	<i>432</i>	<i>2,484</i>	<i>3,799</i>	<i>855</i>	<i>1,940</i>	<i>9,820</i>

¹ Management Committee employees are included in the Manager category.

EMPLOYEES AS OF 31 DECEMBER 2020 BY AGE GROUP, GENDER, TYPE OF CONTRACT AND PROFESSIONAL CATEGORY

Type of contract	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
N° of employees on permanent contracts	Manager ¹	0	0	8	15	5	64	92
	Head of Department	0	2	100	284	56	191	633
	Senior Technician	26	48	502	863	101	353	1,893
	Intermediate Technician	19	26	240	542	81	309	1,217
	Specialist	95	162	1,373	1,966	467	911	4,974
	Administrative employee	6	4	38	28	18	13	107
	Assistant	3	6	12	28	8	18	75
<i>Total n° of employees on permanent contracts</i>		<i>149</i>	<i>248</i>	<i>2,273</i>	<i>3,726</i>	<i>736</i>	<i>1,859</i>	<i>8,991</i>
N° of employees on temporary contracts	Manager	0	0	0	0	0	0	0
	Head of Department	0	0	0	0	0	0	0
	Senior Technician	6	8	3	3	0	0	20
	Intermediate Technician	25	32	3	6	0	0	66
	Specialist	82	104	209	150	24	27	596
	Administrative employee	1	0	1	0	0	0	2
	Assistant	0	0	2	3	0	0	5
<i>Total n° of employees on temporary contracts</i>		<i>114</i>	<i>144</i>	<i>218</i>	<i>162</i>	<i>24</i>	<i>27</i>	<i>689</i>
<i>Total</i>		<i>263</i>	<i>392</i>	<i>2,491</i>	<i>3,888</i>	<i>760</i>	<i>1,886</i>	<i>9,680</i>

¹ Management Committee employees are included in the Manager category.

EMPLOYEES AS OF 31 DECEMBER 2021 BY AGE GROUP, GENDER, TYPE OF WORKDAY AND PROFESSIONAL CATEGORY

Type of workday	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
N° of employees on full-time contracts	Manager ¹	-	-	14	29	8	61	112
	Head of Department	1	1	115	305.5	64	196.5	683
	Senior Technician	34	84	495	810	119.5	376	1,919
	Intermediate Technician	19	29	224	527	87	332	1,218
	Specialist	206	257	1,481	2,019	518.5	931	5,413
	Administrative employee	8	3	34	21	14	13	93
	Assistant	3	15	8	30	11	8	75
<i>Total n° of employees on full-time contracts</i>		<i>271</i>	<i>389</i>	<i>2,371</i>	<i>3,742</i>	<i>822</i>	<i>1,918</i>	<i>9,512</i>
N° of employees on part-time contracts	Manager	-	-	-	-	-	-	-
	Head of Department	-	-	1	2.5	1	3.5	8
	Senior Technician	-	-	5	18	2.5	11	37
	Intermediate Technician	-	-	-	-	1	-	1
	Specialist	39	43	104	36	28.5	8	259
	Administrative employee	-	-	-	-	-	-	-
	Assistant	-	-	3	1	-	-	4
<i>Total n° of employees on part-time contracts</i>		<i>39</i>	<i>43</i>	<i>113</i>	<i>58</i>	<i>33</i>	<i>23</i>	<i>308</i>
<i>Total</i>		<i>310</i>	<i>432</i>	<i>2,484</i>	<i>3,799</i>	<i>855</i>	<i>1,940</i>	<i>9,820</i>

¹ Management Committee employees are included in the Manager category.

EMPLOYEES AS OF 31 DECEMBER 2020 BY AGE GROUP, GENDER, TYPE OF WORKDAY AND PROFESSIONAL CATEGORY

Type of workday	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
N° of employees on full-time contracts	Manager ¹	-	-	8	15	5	63	91
	Head of Department	-	2	100	283	56	189	629
	Senior Technician	32	56	505	866	99	352	1,910
	Intermediate Technician	44	58	243	548	80	309	1,282
	Specialist	150	234	1,497	2,094	469	927	5,371
	Administrative employee	7	4	39	28	18	13	109
	Assistant	3	6	12	31	8	18	78
<i>Total n° of employees on full-time contracts</i>		<i>236</i>	<i>360</i>	<i>2,404</i>	<i>3,865</i>	<i>735</i>	<i>1,871</i>	<i>9,470</i>
N° of employees on part-time contracts	Manager	-	-	-	-	-	1	1
	Head of Department	-	-	1	2	1	2	5
	Senior Technician	-	-	-	-	2	1	3
	Intermediate Technician	-	-	-	-	1	-	1
	Specialist	27	32	85	22	22	11	199
	Administrative employee	-	-	-	-	-	-	-
	Assistant	-	-	2	-	-	-	2
<i>Total n° of employees on part-time contracts</i>		<i>27</i>	<i>32</i>	<i>88</i>	<i>24</i>	<i>26</i>	<i>15</i>	<i>211</i>
<i>Total</i>		<i>263</i>	<i>392</i>	<i>2,491</i>	<i>3,888</i>	<i>760</i>	<i>1,886</i>	<i>9,680</i>

¹ Management Committee employees are included in the Manager category.

EMPLOYEES AS OF 31 DECEMBER 2021 AND 2020 BY TYPE OF WORKDAY AND REGION

Region	2021			2020		
	Part-time	Full time	Total	Part-time	Full time	Total
Africa ¹	0	117	117	0	129	129
America ²	0	429	429	0	448	448
Asia ³	0	174	174	0	205	205
Spain	294	8,166	8,460	198.5	8,079	8,277
Rest of Europe ⁴	14	626	640	12	609	621
<i>Total</i>	<i>308</i>	<i>9,512</i>	<i>9,820</i>	<i>211</i>	<i>9,470</i>	<i>9,680</i>

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, USA, Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.



ANNUAL AVERAGE OF PERMANENT AND TEMPORARY CONTRACTS IN 2021 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Type of contract	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
Permanent	Manager ¹	-	-	11.33	25.58	6.25	62.33	105
	Head of Department	0.58	1.33	104.42	289.25	59.67	195	650
	Senior Technician	25.25	56.42	502.25	848.92	111.08	368.83	1,913
	Intermediate Technician	18.08	20.17	229.75	537.25	83.08	320.83	1,209
	Specialist	91.42	145.5	1,304.92	1,899.67	485.5	911.92	4,839
	Administrative employee	5.25	3.83	34.17	24.75	16.83	13.67	99
	Assistant	2.83	8.75	10.33	26	9.08	13.58	71
Temporary	Manager	-	-	-	-	-	-	0
	Head of Department	-	-	-	-	-	-	0
	Senior Technician	7.67	17.5	1.33	3.75	-	-	30
	Intermediate Technician	13	12.33	5.25	3.67	-	-	34
	Specialist	142.58	151.67	281.67	174.75	39.83	29	820
	Administrative employee	0.58	-	0.25	-	-	-	1
	Assistant	-	0.25	1.92	2.33	-	0.5	5

¹ Management Committee employees are included in the Manager category.

ANNUAL AVERAGE OF PERMANENT AND TEMPORARY CONTRACTS IN 2020 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Type of contract	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
Permanent	Manager ¹	-	-	7.42	15.92	5.92	63.75	93
	Head of Department	-	2	98.33	293.5	60.67	200.58	655
	Senior Technician	28.67	47.42	504.67	878.33	99.58	346.5	1,905
	Intermediate Technician	17.42	22.33	248.08	575.33	83.92	310	1,257
	Specialist	99	167.33	1,392.33	2,020.42	452.75	872.17	5,004
	Administrative employee	6.83	5.5	42.33	28.58	16.67	16.17	116
	Assistant	2.25	4	12	40.83	7.75	7	74
Temporary	Manager	-	-	-	-	-	-	0
	Head of Department	-	-	-	-	-	-	0
	Senior Technician	5.67	7	6	7.83	0.5	-	27
	Intermediate Technician	25.08	33.58	3.17	6.25	0.5	-	69
	Specialist	100.75	142.75	245.08	175.25	29.42	29.42	723
	Administrative employee	0.25	-	1	0.17	0.17	-	2
	Assistant	0.08	0.75	3.17	4.58	0.08	1	10

¹ Management Committee employees are included in the Manager category.

AVERAGES TEMPORARY CONTRACTS

Professional category	Average 2021	Average 2020
Manager	0	0
Head of Department	0	0
Senior Technician	30.25	27
Intermediate Technician	34.25	68.6
Specialist	819.5	722.7
Administrative employee	0.83	1.6
Assistant	5	9.7

AVERAGES TEMPORARY CONTRACTS

AGE	Average 2021	Average 2020
Under 30 years of age	345.58	316
Between 30 and 50 years of age	475.17	452.58
Over 50 years of age	70.08	61.08

AVERAGES TEMPORARY CONTRACTS

Gender	Average 2021	Average 2020
Men	396.75	408.67
Women	494.08	421

AVERAGES PERMANENT CONTRACTS

Professional category	Average 2021	Average 2020
Manager	105.5	93
Head of Department	650.25	655.1
Senior Technician	1,912.75	1,905.17
Intermediate Technician	1,209.17	1,257.2
Specialist	4,838.92	5,004
Administrative employee	98.5	116.1
Assistant	70.58	73.83

AVERAGES PERMANENT CONTRACTS

AGE	Average 2021	Average 2020
Under 30 years of age	379.42	402.75
Between 30 and 50 years of age	5,848.33	6,158.25
Over 50 years of age	2,656.92	2,543.42

AVERAGES PERMANENT CONTRACTS

Gender	Average 2021	Average 2020
Men	5,772.58	5,917.83
Women	3,112.08	3,186.67

ANNUAL AVERAGE OF FULL-TIME OR PART-TIME CONTRACTS IN 2021 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Type of workday	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
Full-time	Manager ¹	-	-	11.33	25.58	6.25	62.33	105
	Head of Department	0.58	1.33	103.71	287.33	58.96	192.38	644
	Senior Technician	32.92	73.92	499.83	837.83	108.83	361.83	1,915
	Intermediate Technician	31.08	32.5	235	540.92	82.08	320.83	1,242
	Specialist	199.58	255.92	1490.75	2042	499.13	932.67	5,420
	Administrative employee	5.83	3.83	34.42	24.75	16.83	13.67	99
	Assistant	2.83	9	10.08	28	9.08	14.08	73
Part-time	Manager	-	-	-	-	-	-	0
	Head of Department	-	-	0.71	1.92	0.71	2.63	6
	Senior Technician	-	-	3.75	14.83	2.25	7	28
	Intermediate Technician	-	-	-	-	1	-	1
	Specialist	34.42	41.25	95.83	32.42	26.21	8.25	238
	Administrative employee	-	-	-	-	-	-	0
	Assistant	-	-	2.17	0.33	-	-	3

¹ Management Committee employees are included in the Manager category.

ANNUAL AVERAGE OF FULL-TIME OR PART-TIME CONTRACTS IN 2020 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Type of workday	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years		Total
		Women	Men	Women	Men	Women	Men	
Full-time	Manager ¹	-	-	7	16	6	64	93
	Head of Department	-	2	98	293	61	200	654
	Senior Technician	34	54	510	886	98	346	1,928
	Intermediate Technician	40	53	251	581	83	310	1,318
	Specialist	162	257	1,528	2,153	460	889	5,449
	Administrative employee	7	6	43	29	17	16	118
	Assistant	2	5	13	45	8	8	81
Part-time	Manager	-	-	-	-	-	-	0
	Head of Department	-	-	-	-	-	1	1
	Senior Technician	-	-	-	1	2	1	4
	Intermediate Technician	2	3	-	1	2	-	8
	Specialist	38	53	109	43	22	13	278
	Administrative employee	-	-	1	-	-	-	1
	Assistant	-	-	2	1	-	-	3

¹ Management Committee employees are included in the Manager category.

AVERAGE PART-TIME CONTRACTS

Professional category	Average 2021	Average 2020
Manager	0	0
Head of Department	5.96	1.13
Senior Technician	27.83	4.5
Intermediate Technician	1	8.17
Specialist	238.38	278
Administrative employee	0	0.83
Assistant	2.5	3.42

AVERAGE PART-TIME CONTRACTS

AGE	Average 2021	Average 2020
Under 30 years of age	75.67	96.67
Between 30 and 50 years of age	151.96	158.83
Over 50 years of age	48.04	40.71

AVERAGE PART-TIME CONTRACTS

Gender	Average 2021	Average 2020
Men	108.63	116.46
Women	167.04	179.75

AVERAGE FULL-TIME CONTRACTS

Professional category	Totaled average 2021	Totaled average 2020
Manager	105.5	93
Head of Department	644.29	654
Senior Technician	1,915.17	1,927.7
Intermediate Technician	1,242.42	1,317.6
Specialist	5,420.04	5,448.75
Administrative employee	99.33	116.83
Assistant	73.08	80.08

TOTALED AVERAGES FULL-TIME CONTRACTS

AGE	Average 2021	Average 2020
Under 30 years of age	649.33	622.08
Between 30 and 50 years of age	6,171.54	6,452
Over 50 years of age	2,678.96	2,563.79

TOTALLED AVERAGES FULL-TIME CONTRACTS

Gender	Average 2021	Average 2020
Men	6,060.71	6,210.04
Women	3,439.13	3,427.92

EMPLOYEES AS OF 31 DECEMBER OF 2021 AND 2020 BY BUSINESS

Business	2021		2020	
	Nº of employees on by business	Percentage of total	Nº of employees on by business	Percentage of total
Exploration and Production	451	5%	500	5%
Refining (Refining, G&E and Trading)	1,920	20%	1,893	20%
Chemicals	925	9%	820	8%
Distribution and Marketing	5,136	52%	4,958	51%
Corporate	1,388	14%	1,509	16%
<i>Total</i>	<i>9,820</i>	<i>100%</i>	<i>9,680</i>	<i>100%</i>

NUMBER OF SENIOR EXECUTIVES FROM THE LOCAL COMMUNITY¹

Senior executives (Executive Committee and directors)	2021	2020
Number of senior executives (Executive Committee and directors)	112	92
Percentage of senior executives from the local community	83%	92%

¹ Unlike in 2020, those Managers considered local, i.e., who are from a certain country and are based in that country, have been taken into account in this report.

GOVERNING BODY DIVERSITY

Management committee	2021			2020		
	% Men	% Women	Total	% Men	% Women	Total
Under 30 years old						
30 to 50 years old	100%		11%			
Over 50 years old	88%	13%	89%	89%	11%	100%
<i>Total</i>	<i>89%</i>	<i>11%</i>		<i>89%</i>	<i>11%</i>	

GOVERNING BODY DIVERSITY

	2021		2020	
	% Men	% Women	% Men	% Women
Directors	91%	9%	90%	10%

4.3.2 Management model

ATTRACTING TALENT

We offer different programmes for university and Dual Vocational Training students and recent graduates:

- Vocational education and training scholarships: we offer an internship plan tailored to the needs of young people with the support and advice of employment tutors.
- *Challenging U*: we give recent graduates the opportunity to start their professional experience at Cepsa, accompanied by a training programme. In the 2021 edition, we have encouraged the inclusion of considerable female talent, as well as talent with different abilities.
- *Welcome U* and *Developing U*: we provide, respectively, curricular internships for students and the opportunity to carry out their bachelor's or master's degree projects.

LOCAL RECRUITMENT

The 'Agreement for the Sustainability of the Industry' between Cepsa and the workers' representatives of our refineries and chemical plants, signed in 2018 and running to 2021, includes a commitment to promote and support training actions to upskill the local workforces, foster industrial Dual Vocational Training and favour, as far as possible, jobs for people in the local communities where Cepsa's industrial facilities are located.

ORGANISATION OF WORK TIME

Cepsa arranges its working conditions in such a way as to adapt them as best as possible to the particularities of the activity and the business, as well as to the needs of our professionals and always in strict compliance with prevailing legislation.

Work time is a particularly important aspect of working conditions. Depending on the activity, work is undertaken in shifts or normal working days.

Collective bargaining agreements set out the different work time schemes, annual working hours, timetables, types of service, working methods and, where applicable, compensation systems. They also stipulate work calendars, cycles, holidays and leave.

In the industrial and service station sectors, the predominant approach is shift work with different sequences and rotation cycles. A flextime approach is applied to corporate areas and commercial activities.

INTERNATIONAL FRAMEWORKS

At Cepsa we are committed through our 'Code of Ethics and Conduct' to work in accordance with international standards and frameworks such as the ILO's 'Declaration on Fundamental Principles and Rights at Work'.

NEW HIRES IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Africa ¹	0	1	0	2	0	0	3
America ²	0	5	7	7	0	1	20
Asia ³	4	3	2	4	0	0	13
Spain	489	535	861	571	159	120	2,735
Rest of Europe ⁴	58	68	49	40	14	7	236
Total	551	612	919	624	173	128	3,007

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, USA, Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

NEW HIRES IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Africa ¹	0	0	0	0	0	0	0
America ²	2	2	5	2	0	1	12
Asia ³	2	7	0	8	0	0	17
Spain	294	377	578	346	71	119	1,785
Rest of Europe ⁴	33	41	42	21	10	5	152
Total	331	427	625	377	81	125	1,966

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, USA, Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

TOTAL NUMBER OF NEW HIRES AND VACANCIES FILLED BY INTERNAL CANDIDATES

	2021	2020	2019	2018
Total number of new hires	3,007	1,966	2,943	3,262
Percentage of vacancies filled by internal candidates (internal recruitment)	15.69%	12.96%	14.33%	8.24%
Average hiring cost per employee	28,509	31,842	25,714	25,180

RATE OF NEW HIRES IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	-	100%	-	2%	-	-
America ²	-	31%	9%	3%	-	1%
Asia ³	44%	10%	6%	4%	-	-
Spain	211%	166%	40%	18%	5%	7%
Rest of Europe ⁴	97%	110%	23%	26%	9%	10%

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

RATE OF NEW HIRES IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	-	-	-	-	-	-
America ²	20%	13%	6%	1%	-	1%
Asia ³	40%	27%	-	11%	-	-
Spain	151%	133%	27%	10%	11%	7%
Rest of Europe ⁴	63%	62%	20%	13%	14%	8%

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

VOLUNTARY LEAVERS IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Africa ¹	-	-	-	-	-	-	0
America ²	-	-	8	5	-	-	13
Asia ³	1	2	3	3	-	1	10
Spain	55	67	69	67	13	6	277
Rest of Europe ⁴	16	17	20	15	5	2	75
<i>Total</i>	<i>72</i>	<i>86</i>	<i>100</i>	<i>90</i>	<i>18</i>	<i>9</i>	<i>375</i>

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

VOLUNTARY LEAVERS IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Africa ¹	-	-	-	2	-	-	2
America ²	-	-	2	12	-	1	15
Asia ³	-	3	1	4	-	-	8
Spain	21	22	29	30	4	1	107
Rest of Europe ⁴	16	15	19	13	1	-	64
<i>Total</i>	<i>37</i>	<i>40</i>	<i>51</i>	<i>61</i>	<i>5</i>	<i>2</i>	<i>196</i>

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

TOTAL LEAVERS IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Africa ¹	-	-	-	1	-	-	1
America ²	1	-	11	13	2	16	43
Asia ³	3	7	17	8	1	5	41
Spain	390	436	716	477	150	164	2,333
Rest of Europe ⁴	34	58	38	34	10	5	179
Total	428	501	782	533	163	190	2,597

¹ Algeria.² Brazil, Canada, Colombia, United States, Mexico, Peru.³ China, E.A.U., Malaysia, Singapore, Thailand.⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

TOTAL LEAVERS IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years		Region
	Women	Men	Women	Men	Women	Men	
Africa ¹	-	-	-	2	-	1	3
America ²	-	1	22	30	3	12	68
Asia ³	-	6	7	7	1	5	26
Spain	308	363	645	394	114	175	1,999
Rest of Europe ⁴	32	46	45	21	10	7	161
Total	340	416	719	454	128	200	2,257

¹ Algeria.² Brazil, Canada, Colombia, United States, Mexico, Peru.³ China, E.A.U., Malaysia, Singapore, Thailand.⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

INVOLUNTARY LEAVERS IN 2021 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Corporate professional category	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Manager	-	-	-	-	-	2	2
Head of Department	-	-	-	1	-	3	4
Senior Technician	2	-	7	6	-	6	21
Intermediate Technician	1	1	6	-	1	2	11
Specialist	1	3	8	8	4	6	30
Administrative employee	0	1	2	1	2	-	6
Assistant	-	-	-	-	-	-	0
Total	4	5	23	16	7	19	74

INVOLUNTARY LEAVERS IN 2020 BY AGE GROUP, GENDER AND PROFESSIONAL CATEGORY

Corporate professional category	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Manager	-	-	-	2	1	5	8
Head of Department	-	-	1	-	-	2	3
Senior Technician	-	1	2	1	1	3	8
Intermediate Technician	-	-	1	3	2	8	14
Specialist	-	1	13	15	4	6	39
Administrative employee	-	-	3	1	-	-	4
Assistant	-	-	-	1	-	-	1
<i>Total</i>	<i>0</i>	<i>2</i>	<i>20</i>	<i>23</i>	<i>8</i>	<i>24</i>	<i>77</i>

VOLUNTARY TURNOVER RATE IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	0%	0%	0%	0%	0%	0%
America ²	0%	0%	11%	2%	0%	0%
Asia ³	11%	6%	9%	3%	0%	20%
Spain	24%	21%	3%	2%	2%	0%
Rest of Europe ⁴	27%	27%	9%	10%	6%	3%

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

VOLUNTARY TURNOVER RATE IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	0%	0%	0%	2%	0%	0%
America ²	0%	0%	2%	5%	0%	1%
Asia ³	0%	12%	2%	5%	0%	0%
Spain	11%	8%	1%	1%	1%	0%
Rest of Europe ⁴	31%	23%	9%	8%	1%	0%

¹ Algeria.

² Brazil, Canada, Colombia, United States, Mexico, Peru.

³ China, E.A.U., Malaysia, Singapore, Thailand.

⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

TOTAL TURNOVER IN 2021 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	0%	0%	0%	1%	0%	0%
America ²	13%	0%	15%	6%	11%	17%
Asia ³	33%	23%	52%	8%	100%	100%
Spain	168%	135%	33%	15%	20%	9%
Rest of Europe ⁴	57%	94%	18%	22%	13%	7%

¹ Algeria.² Brazil, Canada, Colombia, United States, Mexico, Peru.³ China, E.A.U., Malaysia, Singapore, Thailand.⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

TOTAL TURNOVER IN 2020 BY REGION, AGE GROUP AND GENDER

Region	Under 30 years		Between 30 and 50 years		Over 50 years	
	Women	Men	Women	Men	Women	Men
Africa ¹	0%	0%	0%	2%	0%	5%
America ²	0%	6%	27%	14%	17%	12%
Asia ³	0%	23%	15%	9%	25%	11%
Spain	158%	128%	30%	12%	17%	11%
Rest of Europe ⁴	62%	70%	21%	13%	14%	12%

¹ Algeria.² Brazil, Canada, Colombia, United States, Mexico, Peru.³ China, E.A.U., Malaysia, Singapore, Thailand.⁴ Belgium, Italy, Netherlands, Portugal, United Kingdom.

HIRING AND TURNOVER RATES BY BUSINESS IN 2021

Business	Total no. of hirings	Rate of new hirings	Total no. of departures	Turnover rate
Exploration and Production	20	4%	71	16%
Refining (Refining, G&E and Trading)	100.5	5%	48	2%
Chemicals	45.5	5%	45	5%
Distribution and Marketing	2,784	54%	2,364	46%
Other	57	4%	69	5%
<i>Total</i>	<i>3,007</i>	<i>31%</i>	<i>2,597</i>	<i>26%</i>

TOTAL AND VOLUNTARY TURNOVER RATE

	2021	2020	2019	2018
Total employee turnover rate	26,45%	23,32%	27,95%	27,95%
Employee voluntary turnover rate	3,82%	2,02%	4,07%	4,48%

PATERNITY AND MATERNITY LEAVE IN 2021 AND 2020¹

Parental leave	2021			2020		
	% Men	% Women	Total	% Men	% Women	Total
Number of employees who were entitled to maternity or paternity leave in the reporting period	71	141	212	95	128	223
Number of employees who exercised their right to maternity or paternity leave in the reporting period	110	212	322	144	201	345
Number of employees who returned to work in the reporting period after their maternity or paternity leave ended	98	198	296	108	180	288
Number of employees who returned to work in the previous reporting period after their maternity or paternity leave ended	108	180	288	112	202	314
Number of employees who returned to work in the previous reporting period after their maternity or paternity leave ended and who continue in their job twelve months after their return	98	167	265	98	189	287
Return to work rate	89%	93%	1	75%	90%	83%
Retention rate	91%	93%	1	88%	94%	91%

EMPLOYEE ENGAGEMENT INDEX

Our process for managing employees' engagement is based on "listening to employees" in order to understand their needs and concerns. Over the years we have used different methodologies, the results of which are set out below:

- 2021: 54 - OHI "Organizational Health Survey" – used for the first time in 2021 and is not comparable with the other methodologies used.
- 2020: 85 - Willis Towers Watson methodology.
- 2019: 66 - AON methodology (equal to 83 in Willis Towers Watson).
- 2017: 61 - AON methodology (equal to 81 in Willis Towers Watson).

¹ For the first two indicators in the above table, international information is included. However, for the other indicators, international information is not taken into account since it is not available.

4.3.3 Training

TRAINING RECEIVED BY PROFESSIONAL CATEGORY

Corporate professional category	Hours of training		Hours of training per employee	
	2021	2020	2021	2020
Manager	2,208	1,521	20	18
Head of Department	36,469	25,578	53	40
Senior Technician	92,366	93,933	47	49
Intermediate Technician	47,145	41,942	39	33
Specialist	178,929	197,867	32	36
Administrative employee	1,520	1,704	16	16
Assistant	4,214	3,176	53	40
<i>Total</i>	<i>362,851</i>	<i>365,722</i>	<i>37</i>	<i>38</i>

HOURS OF TRAINING BY GENDER

Gender	Hours of training		Hours of training per employee	
	2021	2020	2021	2020
Women	80,022	78,247	22	22
Men	282,829	287,474	46	47
<i>Total</i>	<i>362,851</i>	<i>365,722</i>	<i>37</i>	<i>38</i>

* A significant difference may be observed between hr/person for men and for women in the Specialists category. It should be noted that this group includes all Operations posts in industrial centres, where there are a high number of training hours. In these groups, training for men and for women has exactly the same duration. However, there are few women in relation to men. Therefore, when they are grouped with Specialists from other areas, the larger number of men with a high number of training hours gives a much higher average for men than for women. Similarly, in other groups such as Managers, Department Heads and Senior Technicians, the number of hours is higher for women than for men and very close in the case of Intermediate Technicians.

EMPLOYEE TRAINING BY BUSINESS IN 2021

Business	Hours of training	Trained employees	Hours of training per employee
Exploration and Production	19,636	402	44
Refining (Refining, G&E and Trading)	173,011	1,841	90
Chemicals	41,832	726	45
Distribution and Marketing	68,708	2,249	13
Others	59,664	1,364	43
<i>Total</i>	<i>362,851</i>	<i>6,582</i>	<i>37</i>

TOTAL TRAINING INVESTMENT BY EMPLOYEE (€)

	2021	2020
Total training investment	3,537,802	3,204,654
Training investment by employee	360	331

HOURS OF TRAINING AND EMPLOYEES TRAINED IN HUMAN RIGHTS IN 2021 AND 2020*

	2021	2020
Hours of training	82,884.10	2,396.3
Trained employees	5,091	1,504

* The approach to Training on Human Rights has been streamlined with respect to 2020 by reference to GRI 412-2 Employee training on human rights policies or procedures, " Human rights are well-established in international standards and law and this has obligated organizations to implement specialized training that equips employees to address human rights in the course of their regular work", focusing on respect and compliance with all matters related to diversity, race, nationality, age, gender, marital status, sexual orientation, ideology, religion, disability or any personal, physical or social condition, including all matters connected with safety and prevention as one of Cepsa's values.



4.3.4 Corporate culture committed to diversity

EQUALITY PLANS

The Cepsa companies have equality instruments that reflect the size of their workforce: Equality Plans or Set of Measures. In both cases, the workers' representatives are provided with monitoring information through the Integrated Management Report.

PROTOCOLS AGAINST SEXUAL AND GENDER-BASED HARASSMENT

Cepsa prohibits any form of harassment or violence. The Ethics and Compliance Channel is one of the key tools for managing these situations.

We have developed policies and procedures, and agreed protocols for action with trade unions for the investigation of complaints of sexual or moral harassment (mobbing), with the aim of mitigating and repairing situations caused by improper conduct, ensuring full respect for personal privacy and dignity.

Through these policies and protocols, measures are put in place to ensure that:

- Any type of harassment situation is identified by management and can be reported by the person concerned, by the workers' representatives or by any worker.
- The complaint is investigated to prove the existence or non-existence of situations of harassment, preserving the anonymity of the complainant, opening the possibility of precautionary measures if necessary, and ensuring the independence of the investigators.
- Disciplinary measures are taken if necessary for all irregularities detected.
- Action plans, including psychosocial action plans if necessary, are carried out to restore the working environment and/or prevent recurrence of a situation or risk detected in the course of the proceedings.

The Ethics and Compliance Committee receives information on both harassment complaints received and those resulting from the harassment protocol undertaken by the Human Resources Department.

WORKFORCE BREAKDOWN (%)

Below 30 years of age	8%
Between 30 and 50	64%
Over 50	28%



GENDER DIVERSITY

Share of women in total workforce (as % of total workforce)	37%
Share of women in all management positions, including junior, middle and top management (as % of total management positions) ¹	25%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	26%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	19%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	18%
Share of women in STEM-related positions (as % of total STEM positions)	17%

¹ Cepsa has set itself the target of reaching 30% of women in leadership positions by 2025.

BREAKDOWN OF EMPLOYEES ACCORDING TO NATIONALITY

	Proportion of total employees	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Spanish	83.59%	82.19%
Portuguese	6.18%	2.37%
Brazilian	2.05%	1.61%
Colombian	1.82%	3.61%
Chinese	1.24%	0.74%
Other	5.10%	9.46%

Nº EMPLOYEES WITH DISABILITIES AS OF 31 DECEMBER

	2021	2020
Employees with a disability	116	116

% EMPLOYEES WITH A DISABILITY

Employees with a disability	1.2 %
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4.3.5 Temporary lay-off measures (ERTE)

2021 TEMPORARY LAY-OFF MEASURES (ERTE)

List of ERTEs carried out	No. of employees affected	Description of affected employees: business area	Start date	End date	Type of ERTE
CEDIPSA	297	Service station personnel	01/12/2020	31/05/2021	ETOP COVID
CEPSA REFINERÍA LA RABIDA	32	Mainly industrial Refining, but also Maintenance and Engineering	01/12/2020	30/09/2021	ETOP
CEPSA BIOENERGIA S. ROQUE	18	Distribution and Marketing - Operations	24/03/2021	31/03/2022	ETOP
CMD AEROPUERTOS CANARIOS	21	Distribution and Marketing - Operations	01/06/2021	31/10/2021	ETOP COVID
SIS S.L.U.	53	Distribution and Marketing - Operations	01/02/2021	31/01/2022	ETOP COVID
<i>Total</i>	<i>421</i>				

* Each worker is counted once, despite the fact that they may have been affected by the ERTE in different periods.

EMPLOYEES AFFECTED BY TEMPORARY LAY-OFF MEASURES IN 2021 BY AGE GROUP, GENDER AND OCCUPATIONAL CATEGORY

Corporate professional category	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Manager	-	-	-	-	-	-	0
Head of Department			-	-	-	-	0
Senior Technician	-	2	-	-	-	1	3
Intermediate Technician	-	-	-	7	-	7	14
Specialist	3	6	97	126	41	110	383
Administrative employee	-	-	-	-	1	2	3
Assistant		1	4	7	3	3	18
<i>Total</i>	<i>3</i>	<i>9</i>	<i>101</i>	<i>140</i>	<i>45</i>	<i>123</i>	<i>421</i>

2020 TEMPORARY LAY-OFF MEASURES (ERTE)

List of ERTes carried out	No. of employees affected	Description of affected employees: business area	Start date	End date	Type of ERTE
CEDIPSA 1 ¹	1,068	Service station personnel	01/04/2020	31/10/2020	ETOP*
CEPSA REFINERÍA LA RÁBIDA	20	Mainly industrial Refining, but also Maintenance and Engineering	01/12/2020	30/09/2021	ETOP*
CEDIPSA 2 ¹	214	Service station personnel	01/12/2020	31/05/2021	ETOP*
<i>Total</i>	<i>1,302</i>				

¹ Each worker is counted once, despite the fact that they may have been affected by the ERTE in different periods.

* For Economic, Technical, Organisational or Production reasons.

EMPLOYEES AFFECTED BY TEMPORARY LAY-OFF MEASURES IN 2020 BY AGE GROUP, GENDER AND OCCUPATIONAL CATEGORY

Corporate professional category	Under 30 years		Between 30 and 50 years		Over 50 years		Total
	Women	Men	Women	Men	Women	Men	
Manager	-	-	-	-	-	-	0
Head of Department	-	-	-	-	-	-	0
Senior Technician	-	1	-	-	-	1	2
Intermediate Technician	-	-	7	11	4	23	45
Specialist	26	48	447	287	141	298	1,247
Administrative employee	-	-	1	2	2	2	7
Assistant	-	-	-	-	1	-	1
<i>Total</i>	<i>26</i>	<i>49</i>	<i>455</i>	<i>300</i>	<i>148</i>	<i>324</i>	<i>1,302</i>



ADDITIONAL MATTERS RELATING TO TEMPORARY LAY-OFF MEASURES (ERTE)

	2021	2020
Social Security benefits/salaries of workers under ERTes were supplemented and to what extent (% of salary).	In general, Wage Supplement of 100% of Fixed Remuneration. At SIS, 85% of Base Salary w/o shifts or length of service. In Bioenergía, 100% of Minimum Salary + Collective Agreement w/o shifts or length of service. In CMD 30€/month	Wage Supplement of 100% of Fixed Remuneration.
Overtime was paid during the ERTE.	Included in the supplement	Included in the supplement
Holiday pay accruals were recognised during the ERTE.	No	No
Training was provided during the ERTE by those affected and whether this training was remunerated.	CEPSA: Yes Other: No	CEDIPSA: No CEPSA: In December, training was provided for the affected workers, but during active employment. As from 2021, training will also be provided during the ERTE.
Payment of the Social Security benefit was voluntarily advanced to employees affected by the ERTE.	CEPSA: Will do so if requested, but no requests received. Other: Yes	CEDIPSA 1: Advances were paid to all employees and cancelled if so requested by the employee. CEPSA: Will do so if requested, but no requests received.
Exonerations from Social Security contributions were applied (report in qualitative terms).	CEPSA: Yes Other: No	CEDIPSA: No CEPSA: Yes

4.3.6 Remuneration

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT, INCLUDING TYPE OF REMUNERATION RECEIVED

AVERAGE REMUNERATION OF SENIOR MANAGEMENT IN 2021 (THOUSANDS OF EUROS)

	Fixed remuneration	Variable remuneration	Directors' fees	Other items	Pension plans and funds	Indemnities
Executive directors	800	595.00	182	2,513	199	233
Non-executive directors			296			
Executive Committee	407	29.00		18.00	83	

The CEO's total remuneration comprises a fixed part, a variable portion and a profit component. The fixed remuneration established, which has remained unchanged since the CEO's appointment in October 2019, reflects his level of responsibility in the organisation, the dedication required and his professional experience, and is competitive with companies comparable to Cepsa in its market of reference, so as to attract and retain the best professionals.

The annual variable remuneration is intended to incentivise the achievement of pre-set, specific and quantifiable strategic objectives, and reflects the individual contribution to the achievement of these objectives.

The Board of Directors defined the objectives at the beginning of the year and will assess performance when the year is over. Annual variable remuneration is linked to the achievement of the following types of objectives:

- ESG: 15%
- Strategic plan: 50%
- Financial: 35%

Each objective has a metric associated with a scale of achievement defined on the basis of variability and difficulty. These scales have a minimum achievement threshold below which no incentive is payable, a target and a maximum level.

In order to align the CEO's remuneration system with the principles of good corporate governance in the area of remuneration, any variable remuneration received is subject to clauses allowing the company to claim reimbursement or not to pay amounts pending settlement when the payment does not reflect performance or has been calculated on the basis of data that later proves to be incorrect. The Board of Directors is the body responsible for determining whether such circumstances have arisen and any variable remuneration to be paid or not paid.

On the benefits side, the CEO is the beneficiary of certain benefits in kind, including, among others, health insurance, life and disability insurance, pension and social security scheme, vehicle and fuel.

AVERAGE REMUNERATION OF SENIOR MANAGEMENT IN 2020 (THOUSANDS OF EUROS)

	Fixed remuneration	Variable remuneration	Directors' fees	Other items	Pension plans and funds	Indemnities
Executive directors	800	255.00	212.00	10	200	
Non-executive directors			212.00			
Executive Committee	367.00	718.00		239.00	75	200

COMPENSATION THE BOARD OF DIRECTORS AND MANAGEMENT COMMITTEE BY ITEM

	2021		2020	
	Board of Directors	Management Committee	Board of Directors	Management Committee
Pension funds and plans	2.77%	10.34%	7.28%	4.71%
Fixed compensation	11.13%	50.94%	29.10%	22.93%
Variable compensation	8.28%	36.47%	9.28%	44.92%
By-law stipulated compensation	39.61%	0.00%	53.98%	0.00%
Other compensation	34.97%	2.25%	0.36%	14.98%
Indemnities	3.24%	0.00%	0.00%	12.48%

RATIO BETWEEN THE HIGHEST COMPENSATION PAID AND THE AVERAGE PAID TO EMPLOYEES BY COUNTRY

Country	2021	2020	Ratio increase
Algeria	1.72	1.55	0.10
Belgium	2.60	3.22	-0.19
Brazil	4.78	14.48	-0.67
Canada	1.67	3.72	-0.55
China	5.89	4.64	0.27
Colombia	3.10	6.09	-0.49
United Arab Emirates	5.67	-	-
Spain	25.51	28.15	-0.09
United States	-	1.00	
Italy	2.02	1.96	0.03
Malaysia	-	1.80	
Mexico	3.89	1.31	1.96
Netherlands	1.31	1.33	-0.02
Peru	7.31	6.80	0.07
Portugal	12.86	13.49	-0.05
UK	3.91	2.74	0.43
Singapore	3.81	5.74	-0.34
Thailand	4.52	15.88	-0.72



RATIO BETWEEN THE STANDARD ENTRY LEVEL MINIMUM WAGE AND THE LOCAL MINIMUM WAGE

Country	Ratio 2021	Ratio 2020
Algeria	3.55	4.04
Belgium	1.89	2.23
Brazil	4.73	1.62
Canada	2.32	2.32
China	3.20	3.27
Colombia	3.07	3.36
United Arab Emirates	1.51	-
Spain	1.06	1.09
United States	-	5.06
Italy	3.86	3.19
Malaysia	-	25.02
Mexico	5.96	5.80
Netherlands	2.39	2.13
Peru	4.08	6.01
Portugal	0.86	0.32
UK	1.91	1.80
Singapore	1.52	5.42
Thailand	8.20	4.21

RATIO BETWEEN BASE SALARY AND GENDER PAY GAP 2021

Employee level	Women's average salary	Men's average salary	Compared with men's average salary
Executive level (base salary only)	151,380.10	182,747.61	83%
Management level (base salary only)	75,548.21	79,991.86	94%
Management level (base salary and other cash incentives)	97,681.36	107,534.27	91%
Non-management level	27,550.44	37,003.15	74%

RATIO BETWEEN BASE SALARY AND GENDER PAY GAP 2020

Employee level	Women's average salary	Men's average salary	Compared with men's average salary
Executive level (base salary only)	129,601.65	164,491.00	79%
Management level (base salary only)	75,260.83	82,821.74	91%
Management level (base salary and other cash incentives)	99,225.37	109,852.51	90%
Non-management level	28,531.66	37,110.43	77%

RATIO BETWEEN BASE SALARY AND GENDER PAY GAP BROKEN DOWN BY BUSINESS 2021

Business	Men's average remuneration	Women's average remuneration	Compared with men's average salary
Exploration and Production	78,145.65	59,420.13	76%
Refining (Refining G&P and Trading)	56,822.97	57,983.79	102%
Chemicals	53,675.24	52,606.12	98%
Distribution and Marketing	27,940.84	21,349.69	76%
Other	74,031.86	52,241.11	71%



AVERAGE SALARY IN 2021 BY REGION, AGE GROUP, CATEGORY AND GENDER (EUROS)¹

Region	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years	
		Women	Men	Women	Men	Women	Men
Africa	Manager						
	Head of Department						
	Senior Technician			20,770.59 €			20,971.55 €
	Intermediate Technician	14,087.65 €			17,697.61 €		
	Specialist				10,693.97 €		13,829.60 €
	Administrative employee		7,388.24 €	11,541.97 €	14,922.31 €		
	Assistant						11,442.18 €
America	Manager						
	Head of Department			61,496.27 €	70,971.77 €	84,446.69 €	84,944.92 €
	Senior Technician		36,205.78 €	30,910.89 €	41,922.82 €	38,481.23 €	47,831.67 €
	Intermediate Technician	27,562.91 €		34,278.58 €	28,396.31 €	25,607.29 €	34,488.26 €
	Specialist	13,879.36 €	25,583.23 €	29,052.85 €	29,345.63 €	38,489.54 €	41,686.19 €
	Administrative employee	51,370.75 €	57,707.16 €	29,173.85 €			32,157.41 €
	Assistant	49,577.62 €			10,927.87 €		10,897.17 €
Asia	Manager						
	Head of Department			103,273.17 €	109,813.25 €		
	Senior Technician		19,350.07 €	68,800.83 €	50,111.73 €		78,243.05 €
	Intermediate Technician		15,669.37 €	56,206.49 €	33,326.82 €		47,142.39 €
	Specialist		13,161.30 €	26,393.19 €	25,703.21 €		23,083.28 €
	Administrative employee	16,994.36 €		23,442.95 €			
	Assistant	17,197.24 €	16,361.80 €	52,824.66 €	15,818.05 €		
Europe	Manager						
	Head of Department			69,136.13 €	96,188.28 €		91,539.94 €
	Senior Technician			40,771.23 €	46,651.38 €	44,831.97 €	51,282.71 €
	Intermediate Technician	36,848.24 €	45,243.50 €	23,393.29 €	25,627.17 €	18,448.45 €	29,435.72 €
	Specialist	9,526.25 €	9,459.01 €	10,737.57 €	10,318.77 €	14,410.88 €	11,527.97 €
	Administrative employee		19,728.25 €	36,733.93 €	45,591.24 €	21,550.39 €	
	Assistant			9,315.24 €		9,067.04 €	
Spain	Manager			206,381.51 €	270,593.17 €	291,870.27 €	343,660.38 €
	Head of Department			97,376.23 €	109,086.48 €	102,966.33 €	111,353.59 €
	Senior Technician	37,029.32 €	38,995.72 €	54,714.71 €	59,533.59 €	60,743.14 €	63,600.04 €
	Intermediate Technician	29,399.50 €	28,879.62 €	37,060.28 €	46,145.02 €	38,632.72 €	42,221.08 €
	Specialist	15,821.68 €	18,617.62 €	20,275.34 €	31,062.05 €	22,948.99 €	27,189.66 €
	Administrative employee			31,776.51 €	33,926.48 €	36,188.98 €	33,271.80 €
	Assistant		23,774.17 €	19,364.70 €	23,561.35 €	22,040.06 €	22,922.87 €

¹ For reasons of confidentiality, for the Corporate Professional Groups "Heads of Department and Executives", information for those groups in which there is only one person is not provided.

MEDIAN SALARY IN 2021 (EXCLUDING CEO SALARY)

32,490 €

AVERAGE SALARY IN 2021 (EXCLUDING CEO SALARY)

41,494 €

AVERAGE SALARY IN 2020 BY REGION, AGE GROUP, CATEGORY AND GENDER (EUROS)

Region	Corporate professional group	Under 30 years		Between 30 and 50 years		Over 50 years	
		Women	Men	Women	Men	Women	Men
Africa	Manager						
	Head of Department						
	Senior Technician			23,100.12 €	21,624.11 €		24,032.73 €
	Intermediate Technician	14,759.66 €			19,416.76 €		
	Specialist				11,813.31 €		15,328.09 €
	Administrative employee			8,400.78 €	17,257.37 €		
	Assistant						13,238.38 €
America	Manager						243,888.41 €
	Head of Department			64,495.42 €	78,285.76 €	88,115.90 €	82,089.39 €
	Senior Technician		22,315.95 €	31,967.28 €	43,215.45 €	37,048.03 €	50,579.61 €
	Intermediate Technician	27,531.60 €	8,768.10 €	27,527.39 €	26,427.32 €	25,211.67 €	34,833.29 €
	Specialist	11,930.96 €	18,238.43 €	20,751.75 €	27,371.05 €	33,514.82 €	40,893.55 €
	Administrative employee	27,589.10 €		28,735.46 €	16,189.20 €		9,312.36 €
	Assistant				10,637.58 €		10,741.33 €
Asia	Manager						
	Head of Department			93,997.72 €	185,550.76 €		180,416.88 €
	Senior Technician		11,423.04 €	56,698.55 €	58,050.80 €		60,560.91 €
	Intermediate Technician	24,660.05 €	12,843.95 €	81,981.20 €	32,464.18 €	36,935.18 €	37,916.90 €
	Specialist		18,622.25 €	24,131.93 €	20,989.45 €	22,244.71 €	23,241.82 €
	Administrative employee	14,454.48 €	14,800.70 €	24,757.57 €	22,597.92 €	18,298.78 €	
	Assistant	12,740.86 €	11,124.76 €	54,528.76 €	14,268.70 €		15,401.22 €
Europe	Manager						345,277.16 €
	Head of Department			69,939.38 €	99,983.97 €	67,445.09 €	91,644.23 €
	Senior Technician			41,040.54 €	51,592.54 €	60,660.01 €	47,006.03 €
	Intermediate Technician		41,520.19 €	20,949.51 €	23,684.16 €	17,001.09 €	29,698.98 €
	Specialist	8,765.61 €	8,546.91 €	11,021.23 €	10,002.69 €	13,694.76 €	11,850.75 €
	Administrative employee	48,604.85 €	19,533.16 €	29,458.41 €		21,752.09 €	
	Assistant			8,608.42 €		8,545.55 €	
Spain	Manager			256,045.76 €	278,354.19 €	241,397.90 €	378,895.19 €
	Head of Department			100,418.50 €	112,205.29 €	105,147.99 €	111,623.17 €
	Senior Technician	39,187.11 €	40,967.77 €	56,680.47 €	60,641.90 €	62,955.53 €	63,920.62 €
	Intermediate Technician	28,665.95 €	28,611.76 €	38,137.64 €	45,843.40 €	40,070.99 €	42,670.97 €
	Specialist	16,553.26 €	19,364.00 €	20,725.60 €	30,785.58 €	23,186.83 €	26,949.17 €
	Administrative employee	19,481.52 €		32,139.29 €	33,444.08 €	33,421.67 €	34,412.55 €
	Assistant	17,383.73 €	25,437.91 €	19,358.35 €	24,202.53 €	21,461.27 €	27,287.41 €

AVERAGE SALARIES

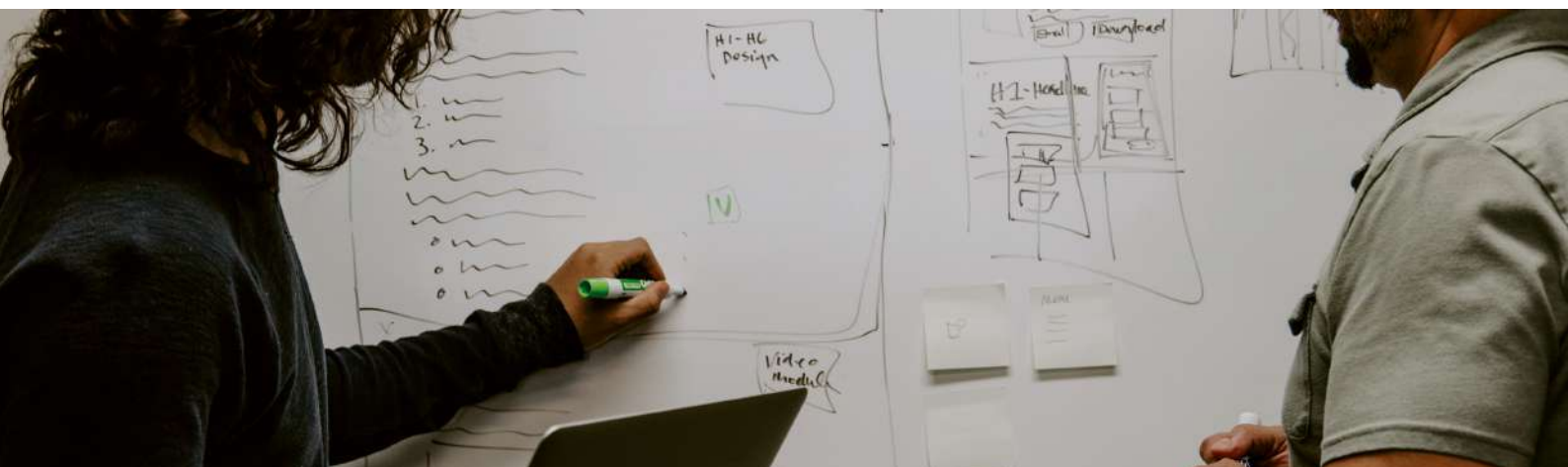
Corporate professional group	Average 2021	Average 2020
Manager	305,657.89 €	339,434.20 €
Head of Department	104,927.83 €	107,208.28 €
Senior Technician	56,184.16 €	57,699.33 €
Intermediate Technician	40,158.80 €	39,735.48 €
Specialist	24,366.41 €	24,584.87 €
Administrative employee	31,383.48 €	30,213.13 €
Assistant	17,256.76 €	16,879.37 €

AVERAGE SALARIES

Age	Average 2021	Average 2020
Under 30 years of age	20,349.32 €	20,809.22 €
Between 30 and 50 years of age	40,409.20 €	39,828.86 €
Over 50 years of age	49,568.41 €	49,895.45 €

AVERAGE SALARIES

Gender	Average 2021	Average 2020
Men	47,008.11 €	46,560.10 €
Women	32,350.01 €	32,327.14 €



4.3.7 Salary gap

CEPSA'S GROSS SALARY GAP BY PROFESSIONAL CATEGORY

	Manager	Head of Department	Senior Technician	Intermediate Technician	Administrative employee	Specialist	Assistant
Salary gap by category 2021	26.37%	9.16%	8.69%	13.49%	8.10%	30.04%	-0.39%
Salary gap by category 2020	29.38%	9.67%	7.55%	11.67%	2.06%	28.21%	4.71%

ANALYSIS OF THE PAY GAP AT CEPSA

The pay gap defined in its simplest form is the difference between men's and women's average wages, expressed as a percentage of men's wages. This gross pay gap is determined by analysing the objective factors that are involved in these differences, such as professional group, level of responsibility, age, seniority, etc., so that, once the effects of the different features of the jobs and professional profiles in both groups have been isolated, we arrive at the adjusted pay gap.

Spanish legislation does not provide a methodology for calculating the adjusted pay gap, so Cepsa uses a method contrasted with other companies.

EMPLOYEE GROUP

With the aim of reaching 95% of the total workforce, the group considered is that of professionals registered at 31 December 2021 in a Cepsa Group company in Spain, Portugal and Colombia (countries in which companies over 50%-owned are located), including those who are temporarily expatriated but who have a suspended employment relationship with one of these companies.

In 2021, this means a target group for Spain, Portugal and Colombia of 8,569.605 y 149 employees respectively.

CALCULATION OF THE GROSS PAY GAP

When determining the gross pay gap, the statistical average of men's and women's pay was used by applying the following formula:

$$\text{Gross pay gap} = \frac{\text{Remuneration}_i(\text{men}) - \text{Remuneration}_i(\text{women})}{\text{Remuneration}_i(\text{men})}$$

The result of the gross pay gap for the Cepsa Group in Spain is, depending on the remuneration considered, as follows:

- Fixed remuneration:

$$\text{Gross salary gap} = \frac{40,764\text{€} - 29,941\text{€}}{40,764\text{€}} = 26.55\%$$

- Total remuneration (fixed remuneration + variable remuneration):

$$\text{Gross salary gap} = \frac{48,988\text{€} - 33,985\text{€}}{48,988\text{€}} = 30.63\%$$

For the Cepsa Group in Portugal:

- Fixed remuneration:

$$\text{Gross salary gap} = \frac{16,467\text{€} - 13,097\text{€}}{16,467\text{€}} = 20.47\%$$

- Total remuneration (fixed remuneration + variable remuneration):

$$\text{Gross salary gap} = \frac{18,094\text{€} - 13,928\text{€}}{18,094\text{€}} = 23.02\%$$

For the Cepsa Group in Colombia:

- Fixed remuneration:

$$\text{Brecha Salarial Bruta} = \frac{137,801,148 \text{ COP} - 124,901,386 \text{ COP}}{137,801,148 \text{ COP}} = 9.36\%$$

- Total remuneration (fixed remuneration + variable remuneration):

$$\text{Brecha Salarial Bruta} = \frac{162,886,146 \text{ COP} - 145,481,092 \text{ COP}}{162,886,146 \text{ COP}} = 10.69\%$$

CALCULATION OF THE ADJUSTED PAY GAP

This calculation was made using a multiple linear regression model, which allowed us to determine the impact of certain variables on employees salaries. When using these variables, we took account of those that are statistically reliable due to their correlation coefficients with total remuneration, resulting in the following: the level of job classification, the applicable collective bargaining agreement, collective agreement guarantees, seniority, age, society and gender, the latter because it is the variable to be measured.

A formula similar to the one applied to arrive at the gross pay gap was used.

$$\text{Adjusted pay gap} = \frac{\text{Remuneration}_i (\text{men}) - \text{Remuneration}_i (\text{women})}{\text{Remuneration}_i (\text{men})}$$

As a result, the adjusted pay gap for the group analysed by reference to total remuneration is 3.56% for Cepsa Group companies in Spain, 1.64% for those in Portugal and -1.90% in Colombia.

4.3.8 Pension plans¹

PERCENTAGE CONTRIBUTION TO PENSION PLANS

Group /Category	% Final base salary employee		% Final base salary company	
	2021	2020	2021	2020
Employees covered by Collective Agreement	1	1	1.60	1.60
Executive Technicians and Expert Technicians	1.25	1.25	2	2
Heads of Department	2	2	15% of (Fixed Remuneration – Maximum Pension)	15% of (Fixed Remuneration – Maximum Pension)
Managers	3	3	20% of (Fixed Remuneration – Maximum Pension)	20% of (Fixed Remuneration – Maximum Pension)

ESTIMATED PENSION PLAN OBLIGATIONS²

Contributions	2021	2020
Pension plans	6,887,780.65 €	8,211,609.69€
Life insurance	169,290.09 €	129,718.61 €
Savings schemes	6,391,638.25 €	6,360,343.94 €

¹ In 2021, 95% of the Group's employees in Spain, Portugal, Brazil, the Netherlands, Mexico, Italy, Belgium, Canada, the UK, Colombia, Malaysia, Singapore and Thailand (excluding service stations due to seasonality and type of contracts) participate in retirement plans, mandatory or voluntary programmes, regional or national programmes or programmes with a financial impact compared with 91% in 2020.

² Complementing Pension Plans, there are Capitalisation Policies (composite insurance) under which savings and risk contributions are made, complementing the CEPESA Group's Pension Plans (nationally).

4.3.9 Labor relations

NUMBER AND PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS BY COUNTRY*

Country	2021			2020		
	Nº of employees covered by collective agreement	Nº of employees not covered by collective agreement	% of employees covered by collective agreement	Nº of employees covered by collective agreement	Nº of employees not covered by collective agreement	% of employees covered by collective agreement
Algeria	0	115	0%	0	128	0%
Belgium	0	8.5	0%	0	10	0%
Brazil	165	14	92%	164	14	92.1%
Canada	0	71	0%	0	66	0%
China	0	126	0%	0	124	0%
Colombia	0	136	0%	0	158	0%
United Arab Emirates	0	27	0%	0	34	0%
Spain	7,786	674	92%	7,702	575	93.1%
United States	0	0	0%	0	2	0%
Italy	5	1	83%	5	1	83%
Morocco	0	2	0%	0	1	0%
Malaysia	0	1	0%	0	3	0%
Mexico	11	1	92%	9	1	90%
Netherlands	0	5.5	0%	0	6	0%
Peru	0	31	0%	0	34	0%
Portugal	597	14	98%	576	14	97.6%
UK	0	9	0%	0	9	0%
Singapore	0	6	0%	0	6	0%
Thailand	0	14	0%	0	38	0%
Total	8,564	1,256	87%	8,456	1,224	87.4%

* The Department Head and Manager categories are considered to be excluded from the collective agreement.

EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS BY BUSINESS

Business	% of employees covered by collective agreement
Exploration and Production	17%
Refining (Refining, G&E and Trading)	92%
Chemicals	67.37%
Distribution and Marketing	97%
Others	80.30%
<i>Total</i>	<i>87.4%</i>

4.5 CLIMATE CHANGE MANAGEMENT

4.5.1 Emissions¹

GHG EMISSIONS (SCOPES 1 AND 2) BY BUSINESS

Thousands of tons CO ₂ eq*	2021		2020		2019		2018		2017	
	Scope I	Scope II	Scope I	Scope II	Scope I	Scope II	Scope I	Scope II	Scope I	Scope II
Exploration and Production ²	131	47	238	47	424	44	413	48	489	48
Refining ³	2,690	261	2,535	227	2,841	336	2,996	355	3,042	503
Chemicals	771	288	741	291	725	388	704	325	707	392
Distribution and Marketing	-	-	-	-	-	-	-	-	-	-
Gas&Power	1,643	0	1,649	0	2,122	0	1,523	0	1,660	0
<i>Total</i>	<i>5,235</i>	<i>596</i>	<i>5,163</i>	<i>564</i>	<i>6,112</i>	<i>768</i>	<i>5,636</i>	<i>728</i>	<i>5,898</i>	<i>943</i>
<i>Total scopes 1 + 2</i>	<i>5,831</i>		<i>5,727</i>		<i>6,880</i>		<i>6,364</i>		<i>6,842</i>	

* Emissions are expressed in CO₂eq just including CO₂, CH₄ and N₂O. Global Warming Potentials from AR5 IPCC.

¹ The emissions data reported here may differ from the data verified under carbon emissions schemes in our facilities. They also differ from the data certified under ISO 14064 due to the reporting date, which is prior to third-party verification.

² E&P emissions were recalculated using the same scope of operated assets under IOGP criteria. The 2017 and 2018 data do not follow the IOGP methodology and include the three GHG reports.

³ The Refining business does not include the emissions of one of the cogeneration plants included in the facility's emissions permit, which were unified with the Gas&Power business emissions for consistency.

SCOPE 3 EMISSIONS BY CATEGORY, THOUSANDS OF TONS CO₂EQ*

Category	2021	2020	2019	2018	2017
Purchased goods and services	8,890	4,173	5,131	4,820	4,361
Activities relating to fuel and energy	355	448	446	444	469
Transport and distribution of raw materials	735	697	962	956	756
Transport and downstream distribution of the production process	496	357	534	656	740
Use of products sold	60,844	47,898	64,185	73,544	71,026
Total	71,320	53,575	71,258	80,420	77,352

* Emissions are expressed in CO₂eq just including CO₂, CH₄ and N₂O. Global Warming Potentials from AR5 IPCC.

INTENSITY OF GHG EMISSIONS (SCOPES 1 AND 2) BY BUSINESS¹

	2021	2020	2019	2018	2017
Exploration and Production (ton CO ₂ eq / ton produced)	0.10	0.13	0.16	0.15	0.16
Refining (ton CO ₂ eq / ton processed)	0.15	0.15	0.15	0.15	0.17
Chemicals (ton CO ₂ eq / ton processed)	0.26	0.26	0.28	0.25	0.23

¹ The reporting of emission intensity does not follow the same approach as the reporting of energy consumption intensity since the allocation of emissions reflects direct emissions to the business units reported whereas Gas&Power assumes that intensity of emissions associated with primary energy transformation.

DIRECT METHANE EMISSIONS (CH₄)¹

	2021	2020	2019	2018	2017
Direct CH ₄ emissions (metric tonnes)	0	102	850	779	930

¹ CH₄ emissions are calculated as fugitive according to IPCC methodology. Natural gas is consumed at our facilities and fugitive emissions (CH₄) during transmission are calculated and certified under ISO 14064. DIRECT CH₄ emissions provided in this CSA indicator relate only to the assets of our Exploration and Production facilities that have VENTING measured flow gas. Note that we do not report mathematically calculated fugitive CH₄ emissions here, as we consider them not to be a direct measure. Cepsa is working to implement physical detection of fugitive CH₄ emissions at its E&P assets, and keeps LDAR programs in Refining and Chemical facilities.

	SASB EM-EP-110a.1	SASB EM-RM-110a.1		SASB RT-CH-110a.1	
GROSS SCOPE 1 EMISSIONS (CO ₂ , CH ₄ , N ₂ O, HFC, PFC, SF ₆ , NF ₃)*					
GHG (metric tonnes of CO ₂ eq)	2021	2020	2019	2018	2017
<i>Exploration and Production</i>					
CO ₂	113,441	210,748	366,884	370,233	442,167
CH ₄	16,943	27,098	56,975	40,603	44,464
N ₂ O	129	269	453	2,250	2,250
<i>Refining</i>					
CO ₂	2,686,893	2,532,309	2,837,589	2,992,644	3,036,565
CH ₄	553	528	587	599	497
N ₂ O	2,586	2,386	2,567	3,189	4,508
<i>Chemicals</i>					
CO ₂	767,116	736,353	721,083	699,242	703,796
CH ₄	390	442	381	399	368
N ₂ O	3,584	4,120	3,539	3,967	3,291
<i>Gas & Power</i>					
CO ₂	1,634,104	1,639,865	2,112,696	1,516,733	1,660,431
CH ₄	867	897	1,056	768	873
N ₂ O	7,833	8,064	7,879	5,111	7,707

* Cepsa reports annually in its Carbon Footprint following ISO 14064, GHG emissions from HFCs fugitive. CH₄ and N₂O, here shown, are not direct measures (except for venting), just are mathematically calculated according upstream and downstream methodology. Both methodologies are certified under ISO 14064.

SASB EM-EP-110a.2

GROSS SCOPE 1 EMISSIONS

	<i>Exploration and Production*</i>				
GHG (metric tonnes of CO ₂ eq)	2021	2020	2019	2018	2017
Flared hydrocarbons	30,005	72,763	148,715	140,719	192,106
Other combustion	85,857	148,821	236,146	241,567	268,977
Processing emissions	-	-	-	-	-
Other atmospheric emissions (venting) ¹	-	3,150	25,436	21,834	26,073
Fugitive emissions from exploration	14,752	13,682	14,016	8,004	1,726

* These data can slightly differ from other E&P reports to IOGP.

¹ Venting emissions only include the Thailand asset.

SASB RT-CH-130a.1

ENERGY CONSUMPTION

<i>Chemicals</i>					
	2021	2020	2019	2018	2017
Total energy consumed (TJ)	16,634	18,393	15,588	16,412	15,998
Consumption of grid power (TJ)	811	760	742	754	1,244
Percentage of grid power (TJ)	4.88%	4.14%	4.76%	4.6%	7.78%
Consumption of renewable energy (TJ)	1,148	1,148	1,152	1,136	683
Percentage of renewable energy (%)	6.90%	6.25%	7.39%	6.92%	4.27%

CARBON DIOXIDE EMISSIONS INCLUDED IN HYDROCARBON RESERVES*

<i>Exploration and Production</i>					
GHG (tn of CO ₂)	2021	2020	2019	2018	2017
Quantity of carbon dioxide emissions included in proven hydrocarbon reserves	30,903,915	36,668,613	39,096,483	43,332,380	19,530,584

* Historical 2020-2017 data were calculated following the methodology of the SASB Oil&Gas Standard indicator. The methodology applies default values to the characterisation of crude oil and natural gas, as hydrocarbons included in these proved reserves (1P).

ENERGY AND ENERGY EFFICIENCY*

Consumption of energy by business unit (TJ)	2021	2020	2019	2018	2017
Exploration and Production	2,034	2,727	4,123	3,794	4,330
Refining	37,155	35,459	42,347	44,079	41,438
Chemicals	16,634	18,394	15,589	16,412	15,998
Gas & Power	28,561	30,209	35,583	27,063	31,959
<i>Total</i>	<i>84,384</i>	<i>84,699</i>	<i>97,642</i>	<i>91,349</i>	<i>93,725</i>

* This indicator shows the total primary and final energy consumption, being higher than the operational energy consumption reflected in other indicators, as for these latest, the primary energy consumed in G&P is reflected in the steam consumers, excluding the sold energy to third parties. The variation in energy consumed in 2021 compared to 2019 is explained by:

- E&P: the Thailand and Malaysia assets were eliminated and production at the remaining wells is falling, so the overall activity has declined.
- Refining and Gas&Power: although the crude oil processing activity recovered in 2021, it was slightly below 2019 and therefore energy consumption fell.
- Chemicals: total energy consumed rose slightly; in the CQPM activity, this was due to the increase in LAB production and in output, which also increased the activity of Planta Química Palos, CCB and Deten.

CONSUMPTION OF EXTERNAL ENERGY BY CATEGORY (GJ)^{1, 2}

Category	2021	2020	2019	2018	2017
Purchased goods and services	158,381	74,551	91,462	85,780	77,612
Activities relating to fuel and energy	6,317	8,012	7,950	7,902	8,347
Transport and distribution of raw materials	13,092	12,457	17,149	11,675	13,454
Transport and downstream distribution of the production process	8,838	6,374	9,526	11,675	13,170
Use of products sold	1,083,988	855,636	1,144,118	1,308,845	1,264,033
Total	1,270,615	957,029	1,270,205	1,431,215	1,376,615

¹ The five most relevant Scope 3 categories are shown, as they account for at least 95% of the total Scope 3 emissions certified under ISO 14064. They are used for the five-year historical data to assure consistency. Variations between years are due to changes in the activity data value, as well as changes in the calculation method.

² Scope 3 emissions converted into energy do not match the verified emissions under the ISO 14064 standard since the closing date of this report is prior to the ISO third-party verifications.

TOTAL ENERGY CONSUMPTION BY SOURCE^{1, 2}

Source (TJ)	2021	2020	2019	2018	2017
Non-renewable electricity	4,690	4,372	4,518	5,858	7,049
Gas oil / Diesel	612	1,209	2,159	2,358	2,746
Fuel oil	1,073	194	1,381	3,123	3,247
Natural gas	49,344	52,331	56,838	47,334	51,936
Residual gas	2,395	2,661	2,084	2,645	1,538
Crude oil	79	-	11	21	-
Fuel gas	22,862	22,576	27,002	26,559	24,104
Renewable electricity	1,148	1,148	1,152	1,136	683
Steam (from third party)	2,179	2,295	2,494	2,312	2,419
Total	84,384	84,699	97,642	91,349	93,726

¹ The data for this 2021 Integrated Management Report have been reviewed and deviations have been corrected, for example, a notable change was made to the CQ Shanghai steam figure.

² Errors relating to steam purchased from a third party by the Chemicals Division have been corrected. The variation in energy consumption in 2021 v. 2019 (there is no comparison with 2020 as it is not representative due to Covid-19) is due mainly to:

- E&P: the Thailand and Malaysia assets were eliminated from the asset portfolio and production at the remaining wells is falling, so the overall activity has declined.
- Refining: although the crude oil processing activity recovered in 2021 v. 2020, it was slightly below 2019 and therefore energy consumption fell. The same applies to Gas&Power.
- Chemicals: total energy consumed rose slightly; in the CQPM activity, this was due to the increase in LAB production (stoppage in January 2021 to commission the DETAL project) and in output, which also increased the activity of CQpalos, CCB and Deten.

ENERGY SOLD

Fuel (TJ)	2021	2020	2019	2018	2017
Electricity sold*	8,606	8,810	6,704	8,247	8,202
Heating sold	-	-	-	-	-
Refrigeration sold	-	-	-	-	-
Steam sold**	1,423	1,690	1,724	1,735	1,717

* Electricity sold includes gross power generated in our CHP/CCGT plants and fed into the grid, not self-consumed in our facilities.

** Steam sold includes steam sold by a CHP plant that supplies a third party, not Cepsa.

ENERGY CONSUMPTION INTENSITY BY BUSINESS

	2021	2020	2019	2018	2017
Exploration and Production (GJ/tonne produced)	1.15	1.26	1.42	1.26	1.30
Refining (GJ/tonne processed)	2.39	2.44	2.41	2.42	2.43
Chemicals (GJ/tonne processed) ¹	4.64	5.19	4.51	4.65	3.94

* For energy consumed in the Refining and Chemicals business, energy intensity includes the consumption figures for steam from cogeneration and for power, given that this energy is consumed in operations and must be included in this energy intensity ratio. For the Gas&Power business, it makes no sense to show an energy intensity ratio, since primary energy is only transformed into final energy, so we include this consumption in Refining/Chemicals. Gas&Power would only show energy loss as net energy consumption, but this is not included because the ratio does not reflect a better or worse performance in a primary-to-final energy transformation activity.

¹ In this report, the indicator for Chemicals has as the denominator the amount of raw materials processed, the intention being to ensure consistency with the activity name and denominator for the activity as a whole reported in CSA. The benchmark denominator for CSA relates to the input of raw materials, so we have changed this denominator throughout.

REDUCTION IN ENERGY CONSUMPTION AND GHG EMISSIONS

Initiative	Energy saving (GJ)	Energy type	Scope included	GHG included
New technology in refinery's naphtha reforming unit	148,482	Fuel	Scope 1	CO ₂
Operational improvements in refrigeration systems	4,560	Electricity	Scope 2	CO ₂
Changes in frequency inverters in refrigeration systems	6,775	Fuel	Scope 1	CO ₂
Changes in frequency inverters in refrigeration systems	1,866	Electricity	Scope 2	CO ₂
Technology improvements in paraffin units	3,779	Fuel	Scope 1	CO ₂
Waste energy recovery	18,886	Steam	Scope 2	CO ₂
Online analysers	79,017	Fuel	Scope 1	CO ₂
Phenol unit improvements	308	Steam	Scope 2	CO ₂
Heat exchanger upgrades	50,000	Fuel	Scope 1	CO ₂

ENERGY CONSUMPTION*

	2021	2020	2019	2018	2017
Non-renewable fuel purchased and consumed (MWh)	21,212,914	21,356,680	24,854,836	22,789,336	23,214,864
Non-renewable electricity purchased (MWh)	1,031,325	1,214,577	1,255,004	1,627,448	1,958,180
Steam, heating, refrigeration and other energies (non-renewable) purchased (MWh)	605,379	637,562	692,880	642,396	672,029
Total renewable energy purchased or generated (MWh)	889,204	795,651	1,153,051	1,142,583	683,714
Total non-renewable energy sold (MWh)	2,785,808	2,916,875	2,341,230	2,772,810	2,755,199
Total consumption of non-renewable energy (MWh)	20,335,369	20,291,944	24,461,491	22,286,370	23,089,874
Cost of energy consumed (€) **	1,548,873.85	256,514.88	372,080.71	685,161.03	611,863.50

* This total energy consumption is non-renewable and does not therefore the sum of GRI energy consumption, which includes renewable and non-renewable energy.

** Calculated with annual market reference prices of natural gas and power to let evaluate the trend, not reflecting the real cost by contract in Cepsa.

SASB EM-RM-410a.1

RENEWABLE VOLUME OBLIGATION

	<i>Exploration and Production</i>				
(%)	2021	2020	2019	2018	2017
Renewable volume obligation (RVO) percentage fulfilled by producing renewable fuels, including biofuels, cellulosic biofuels, ethanol, advanced biofuels and other renewable fuels	0.35	0.29	0.57	0.61	0.35
Percentage of the RVO fulfilled by purchasing «separate» renewable identification numbers (RIN).	0.69	0.88	0.68	0.70	0.98
RVO breakdown and analysis by fuel type.	Of the 9.35% of biofuels included in market sales, the breakdown is 1G 5.55% and UCO+Advanced, 3.8%.				

RENEWABLE ENERGY PRODUCTION BY SOURCE

Type of energy source	2021
Biofuels (MWh)	1,914,415
Wind energy (MWh)	55,860

BIOFUELS PRODUCED, PURCHASED AND SOLD*

Type of energy source	2021	Location
Total volume of biofuels produced (megalitres)	152.42	Algeciras and Huelva refineries
Total volume of biofuels purchased (megalitres)	300.59	Algeciras and Huelva refineries, Decal Huelva

* Biofuels purchased and produced following sustainability criteria.

4.6 REDUCING OUR ENVIRONMENTAL IMPACT

4.6.1 Environmental investments

ENVIRONMENTAL INVESTMENTS AND EXPENSES (THOUSAND €)

	2021	2020	2019	2018
Environmental investment	43,844	15,010	6,588	5,643
Environmental expenditure*	55,149	49,957	75,641	51,973

* The reporting criterion for this indicator was redefined in 2021. It previously only included environmental data with a financial account. This new criterion envisages including all environmental expenses.

RENEWABLE ENERGY INVESTMENTS (MILLION €)

	2021	2020	2019
First-generation biofuels	1.6	0.2	3
Advanced biofuels	-	0.5	0
Wind	0.2	2	12
Solar	20.3	18	0
<i>Total</i>	<i>22.1</i>	<i>20.7</i>	<i>15</i>

RENEWABLE ENERGY INVESTMENTS (MILLION €)

	2021	2020	2019
% CAPEX	4.7%	3.1%	1.6%

4.6.2 Non GHG emissions

EMISSION INTENSITY BY TYPE AND BUSINESS

NO_x emissions	2021	2020	2019	2018	2017
Refining (kg/tonne processed)	1.149	0.111	0.133	0.170	0.168
Chemicals (kg/tonne produced)	0.443	0.189	0.157	0.182	0.201
Exploration and Production (kg/tonne of Oil & Gas produced)	3.085	2.890	2.813	1.194	1.176
SO_x emissions	2021	2020	2019	2018	2017
Refining (kg/tonne processed)	2.498	0.218	0.236	0.238	0.279
Chemicals (kg/tonne produced)	0.012	0.007	0.007	0.006	0.005
Exploration and Production (kg/tonne of Oil & Gas produced)	0.008	0.006	0.005	0.015	0.034
Particulate emissions	2021	2020	2019	2018	2017
Refining (kg/tonne processed)	0.148	0.010	0.015	0.012	0.011
Chemicals (kg/tonne produced)	0.005	0.002	0.002	0.002	0.002
Exploration and Production (kg/tonne of Oil & Gas produced)	0.124	0.112	0.105	0.017	0.01703

VOLATILE ORGANIC COMPOUND EMISSIONS (TONNES)*

	2021	2020	2019	2018	2017
Volatile organic compound emissions	1,350	1,793	2,528	1,605.7	1,446

* These data include estimates.



4.6.3 Water management

MANAGEMENT OF WATER RESOURCES

Almost all of the water drawn by our refineries and chemical plants is freshwater from the municipal system or third parties. Once the effluents are treated in the treatment plants, they are discharged at the authorised points, discharging 95% of their volume into the sea, in line with the parameters applicable to each case.

For Exploration & Production assets, freshwater, the main sources of which are groundwater and municipal or third party supplies, is used for workover and drilling. However, freshwater volumes are minimal compared to our total water abstraction. We account for the water that is naturally occurring in our crude oil extraction processes (produced water), which is part of the fluid obtained from the source rock, and which flows from the reservoir to the surface where it needs to be separated. This water, once separated from the crude oil, is treated to meet the necessary specifications for re-injection, which is a sustainable solution.

WATER RISK ASSESSMENT

We update the water risk assessment of our facilities annually using WWF's Water Risk Filter tool. It calculates both basin water risk, through 32 public and global indicators, and operational risk, for which we calculate our impacts as water users. In both cases, they are divided into three broad categories of physical, reputational and regulatory risks.

Following the latest assessment, none of Cepsa's facilities have been found to be at high risk. The La Rábida and Gibraltar-San Roque refineries and the Exploration and Production asset in Algeria, BMS, have been classed as medium risk.

These three facilities have been prioritised for assessment using the internal risk methodology, no risks with a substantive impact having been identified. Controls and mitigation measures have been identified for each of the risks and events assessed. There are plans to extend this assessment to the other facilities where the Water Risk Filter tool is used.

RELATIONSHIP WITH SUPPLIERS AND THEIR USE OF WATER RESOURCES

Our 'Sustainable Procurement Policy' prioritises climate action when contracting third parties that demonstrate efficient and responsible consumption of energy and water resources.

Our 'Supplier Code of Conduct' is also mandatory, reflecting specific commitments on environmental issues, with particular emphasis on optimising the use of water resources.

GROUNDWATER MANAGEMENT

We focus on preventing potential leaks so as to protect soil and groundwater from the effects of an accidental spill. In case of occurrence, we have paving in the process areas and collection pipelines, as well as early warning mechanisms and control procedures for detection and action in the event of an impact.



WATER ABSTRACTION BY SOURCE AND BY BUSINESS

VOLUME OF WATER ABSTRACTED BY TYPE OF SOURCE AND BUSINESS (THOUSAND OF M³)*

		Exploration and Production	Refining	Chemicals****	Distribution and Marketing*****	Total		
Surface water***	2021	Freshwater	6,178	-	3,86	-	10	
		Other water	-	-	-	-	0	
	2020	Freshwater	10,2	-	4	-	14	
		Other water	-	-	-	-	0	
	2019	Freshwater	16	-	4	-	20	
		Other water	-	-	-	-	0	
	2018	Freshwater	41	-	4	-	45	
		Other water	-	-	-	-	0	
	2017	Freshwater	33	-	4	-	37	
		Other water	-	-	-	-	0	
	Groundwater	2021	Freshwater	864.7	-	-	-	864.7
			Other water	1052.5	-	-	-	1052.5
2020		Freshwater	712*	-	-	-	712	
		Other water	1,265	-	-	-	1,265	
2019		Freshwater	656	-	-	-	656	
		Other water	1,193	-	-	-	1,193	
2018		Freshwater	587	-	-	-	587	
		Other water	944	-	-	-	944	
2017		Freshwater	581	-	-	-	581	
		Other water	829	-	-	-	829	
Seawater		2021	Freshwater	-	-	-	-	0
			Other water	-	317.6	-	-	317.6
	2020	Freshwater	-	-	-	-	0	
		Other water	2,090	352	-	-	2,442	
	2019	Freshwater	-	-	-	-	0	
		Other water	2,889	674	-	-	3,563	
	2018	Freshwater	-	-	-	-	0	
		Other water	4,315	1,047	-	-	5,362	
	2017	Freshwater	-	-	-	-	0	
		Other water	11	567	-	-	578	

		Exploration and Production	Refining	Chemicals****	Distribution and Marketing*****	Total		
Third-party water	2021	Freshwater	2.5	12,222.8	4,749.4	28.6	17,003	
		Other water	-	-	-	-	0	
	2020	Freshwater	28	12,183**	4,583	41	16,834.8	
		Other water	-	-	-	-	0	
	2019	Freshwater	35	13,121**	4,811	131	18,097.9	
		Other water	-	-	-	-	0	
	2018	Freshwater	36	12,562	4,872	132	17,602	
		Other water	-	-	-	-	0	
	2017	Freshwater	37	11,606	4,778	55	16,476	
		Other water	-	-	-	-	0	
	Water produced	2021	Freshwater	-	-	-	-	0
			Other water	14,145	-	-	-	14,145
2020		Freshwater	-	-	-	-	0	
		Other water	16,480	-	-	-	16,480	
2019		Freshwater	-	-	-	-	0	
		Other water	23,719	-	-	-	23,719	
2018		Freshwater	-	-	-	-	0	
		Other water	23,786	-	-	-	23,786	
2017		Freshwater	-	-	-	-	0	
		Other water	21,965	-	-	-	21,965	
<i>Total**</i>		<i>2021</i>	<i>16,071</i>	<i>12,540</i>	<i>4,753</i>	<i>29</i>	<i>33,393</i>	
		<i>2020</i>	<i>20,584</i>	<i>12,536</i>	<i>4,587</i>	<i>41</i>	<i>37,747</i>	
	<i>2019</i>	<i>28,508</i>	<i>13,794</i>	<i>4,815</i>	<i>131</i>	<i>47,249</i>		
	<i>2018</i>	<i>29,708</i>	<i>13,609</i>	<i>4,876</i>	<i>132</i>	<i>48,325</i>		
	<i>2017</i>	<i>23,455</i>	<i>12,173</i>	<i>4,782</i>	<i>55</i>	<i>40,465</i>		

* These data include estimates for the last month of the year.

** Previous years' data differ from those reported in the Integrated Management Report 2020 given that corrections have been made as per CDP methodology.

*** In Exploration & Production surface water data, the amount of rainwater captured has been added as per the GRI definitions.

**** The data do not agree with the Integrated Management Report 2020 given that as from 2021 surface water at the Shanghai Chemical Plant is included in the category Municipal/ Third Party, and so previous years have been recalculated.

***** Distribution and Marketing only includes Cepsa Bionergía San Roque.

TOTAL VOLUME OF WATER ABSTRACTED FROM WATER STRESSED AREAS BY TYPE OF SOURCE AND BUSINESS (THOUSANDS OF M³)*

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total	
Surface water	2021	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2020	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2019	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2018	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2017	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	Groundwater	2021	Freshwater	836.2	-	-	836.2
			Other water	1,052.5	-	-	1,052.5
2020		Freshwater	661	-	-	661	
		Other water	1,265	-	-	1,265	
2019		Freshwater	623	-	-	623	
		Other water	1,193	-	-	1,193	
2018		Freshwater	533	-	-	533	
		Other water	944	-	-	944	
2017		Freshwater	536	-	-	536	
		Other water	829	-	-	829	
Seawater		2021	Freshwater	-	-	-	0
			Other water	-	317.6	-	317.6
	2020	Freshwater	-	-	-	-	
		Other water	-	352*	-	352	
	2019	Freshwater	-	-	-	-	
		Other water	-	1,047	-	1,047	
	2018	Freshwater	-	-	-	-	
		Other water	-	1,047	-	5,362	
	2017	Freshwater	-	-	-	0	
		Other water	-	-	-	567	

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total		
Third-party water	2021	Freshwater	1.01	12,222.8	2,441	28.6	14,693	
		Other water	-	-	-	-	0	
	2020	Freshwater	1	12,183**	2,377	41	14,602	
		Other water	-	-	-	-	0	
	2019	Freshwater	1	12,562	2,685	131	15,380	
		Other water	-	-	-	-	0	
	2018	Freshwater	1	12,562	4,872	132	17,602	
		Other water	-	-	-	-	0	
	2017	Freshwater	1	11,606	2,846	55	14,508	
		Other water	-	-	-	-	0	
	Water produced	2021	Freshwater	-	-	-	-	0
			Other water	63	-	-	-	63
2020		Freshwater	-	-	-	-	0	
		Other water	44	-	-	-	44	
2019		Freshwater	-	-	-	-	0	
		Other water	18	-	-	-	18	
2018		Freshwater	-	-	-	-	0	
		Other water	11	-	-	-	11	
2017		Freshwater	-	-	-	-	0	
		Other water	6	-	-	-	6	
Total**		2021	1,953	12,540	2,441	29	16,963	
		2020	1,971	12,536	2,377	41	16,924	
	2019	1,836	13,794	2,553	131	18,315		
	2018	1,489	13,609	2,685	132	17,915		
	2017	1,372	12,173	2,846	55	16,445		

* These data include estimates for the last month of the year.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.

WATER DISCHARGE BY DESTINATION AND BUSINESS

VOLUME OF WATER DISCHARGED BY DESTINATION AND BUSINESS (THOUSAND M³)*

		Exploration and Production	Refining	Chemicals	Distribution and Marketing***	Total		
Surface water	2021	Freshwater	-	-	-	0		
		Other water	-	-	24	-	24	
	2020	Freshwater	-	-	-	-	0	
		Other water	-	-	26	-	26	
	2019	Freshwater	-	-	-	-	0	
		Other water	-	-	25	-	25	
	2018	Freshwater	-	-	-	-	0	
		Other water	4	-	29	-	33	
	2017	Freshwater	-	-	-	-	0	
		Other water	8	-	26	-	34	
	Groundwater	2021	Freshwater	-	-	-	-	0
			Other water	15,477	-	-	-	15,477
2020		Freshwater	-	-	-	-	0	
		Other water	17,715	-	-	-	17,715	
2019		Freshwater	-	-	-	-	0	
		Other water	24,551	-	-	-	24,551	
2018		Freshwater	-	-	-	-	0	
		Other water	24,449	-	-	-	24,449	
2017		Freshwater	-	-	-	-	536	
		Other water	22,601	-	-	-	22,601	
Seawater		2021	Freshwater	-	-	-	-	0
			Other water	-	7,139	1,199	-	8,338
	2020	Freshwater	-	-	-	-	0	
		Other water	2,396	7,362*	1,152	-	10,909	
	2019	Freshwater	-	-	-	-	0	
		Other water	3,445	7,736	1,006	-	12,187	
	2018	Freshwater	-	-	-	-	0	
		Other water	4,866	8,524*	1,080	-	14,470	
	2017	Freshwater	-	-	-	-	0	
		Other water	430	7,629	889	-	8,948	

		Exploration and Production	Refining	Chemicals	Distribution and Marketing***	Total	
Third-party water	2021	Freshwater	-	-	-	14,693	
		Other water	92	-	592	705	
	2020	Freshwater	-	-	-	14,602	
		Other water	101	-	681	816	
	2019	Freshwater	-	-	-	0	
		Other water	101	-	769	965	
	2018	Freshwater	0	-	-	0	
		Other water	112	-	856	1,061	
	2017	Freshwater	-	-	-	0	
		Other water	63	-	599	704	
	<i>Total**</i>	<i>2021</i>	<i>15,570</i>	<i>7,139</i>	<i>1,815</i>	<i>21</i>	<i>24,545</i>
		<i>2020</i>	<i>20,212</i>	<i>7,362</i>	<i>1,859</i>	<i>34</i>	<i>29,467</i>
		<i>2019</i>	<i>28,097</i>	<i>7,736</i>	<i>1,800</i>	<i>95</i>	<i>37,728</i>
		<i>2018</i>	<i>29,430</i>	<i>8,524</i>	<i>1,965</i>	<i>93</i>	<i>40,013</i>
<i>2017</i>		<i>23,103</i>	<i>7,629</i>	<i>1,514</i>	<i>41</i>	<i>32,287</i>	

* These data include estimates for the last month of the year.

** Previous years' data differ from those reported in the Integrated Management Report 2020 give that corrections have been made as per CDP methodology.

*** Distribution and Marketing only includes Cepsa Bionergía San Roque.



VOLUME OF WATER DISCHARGED IN WATER-STRESSED AREAS BY DESTINATION AND BUSINESS (THOUSAND OF M³)*

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total	
Surface water	2021	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2020	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2019	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2018	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	2017	Freshwater	-	-	-	0	
		Other water	-	-	-	0	
	Groundwater	2021	Freshwater	-	-	-	0
			Other water	1,466	-	-	1,466
2020		Freshwater	-	-	-	0	
		Other water	1,608	-	-	1,608	
2019		Freshwater	-	-	-	0	
		Other water	1,487	-	-	1,487	
2018		Freshwater	-	-	-	0	
		Other water	1,223	-	-	1,233	
2017		Freshwater	-	-	-	0	
		Other water	1,163	-	-	1,163	
Seawater		2021	Freshwater	-	-	-	0
			Other water	-	7,139	1,199	8,338
	2020	Freshwater	-	-	-	0	
		Other water	-	7,362*	1,152	8,514	
	2019	Freshwater	-	-	-	0	
		Other water	-	7,736	1,006	8,742	
	2018	Freshwater	-	-	-	0	
		Other water	-	8,524*	1,080	9,604	
	2017	Freshwater	-	-	-	0	
		Other water	-	7,629	889	8,518	

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total	
Third-party water	2021	Freshwater	-	-	-	-	
		Other water	-	-	212	21	233
	2020	Freshwater	-	-	-	-	14,602
		Other water	-	-	169	34	203
	2019	Freshwater	-	-	-	-	0
		Other water	-	-	172	95	267
	2018	Freshwater	-	-	-	-	0
		Other water	-	-	239	93	333
	2017	Freshwater	-	-	-	-	0
		Other water	-	-	121	41	162
		2021	1,466	7,139	1,412	21	10,037
		2020	1,608	7,362	1,320	34	10,325
	Total**	2019	1,487	7,736	1,178	95	10,496
		2018	1,223	8,524	1,319	93	11,160
	2017	1,163	7,629	1,010	41	9,842	

* These data include estimates for the last month of the year.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.



	SASB EM-EP-140a.1	SASB RT-CH-140a.1		EM-RM-140a.1	
WATER ABSTRACTED (THOUSAND M ³)*					
	2021	2020	2019	2018	2017
<i>Exploration and Production</i>					
Water extracted from freshwater sources	873	17,560	18,774	18,233	17,093
Water consumed	501	372	411	278	352
Water abstracted from sites with high or extremely high initial water stress	-	-	-	-	-
Percentage of water abstracted with water stress versus total abstraction	-	-	-	-	-
Water consumed on sites with high or extremely high initial water stress	-	-	-	-	-
Percentage of water consumed with water stress versus total consumed	-	-	-	-	-
<i>Chemicals</i>					
Water extracted from freshwater sources	4,753	4,587	4,815	4,876	4,782
Water recycled	116.48	123.09	121.9	78.03	-
Water consumed	2,938	2,728	3,015	2,910	3,268
Water abstracted from sites with high or extremely high initial water stress	2,441	2,377	2,553	2,685	2,846
Percentage of water abstracted with water stress versus total abstraction	51.35	51.82	53.03	55.07	59.52
Water consumed on sites with high or extremely high initial water stress	1,029	1,056	1,375	1,366	1,836
Percentage of water consumed with water stress versus total consumed	35.03	38.72	45.63	46.94	56.19
<i>Refining</i>					
Water extracted from freshwater sources	12,222.802	12,183	13,121	12,562	11,606
Water recycled	1929.39	1900.46	1,651.73	1981.74	-
Percentage of water recycled	15.79	15.59	12.59	15.78	-
Water abstracted from sites with high or extremely high initial water stress	12,540	12,536	13,794	13,609	12,173
Percentage of water abstracted with water stress versus total abstraction	102.59	102.89	105.13	108.34	104.88
Water consumed on sites with high or extremely high initial water stress	5,401	5,174	6,058	5,085	4,544
Percentage of water consumed with water stress versus total consumed	5,401	5,174	6,058	5,085	4,544

* These data include estimates for the last month of the year. The criterion used to report water stress under SASB differs from the GRI standard. This table may therefore differ from other water stress data reported.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.

	2021	2020	2019	2018	2017
<i>Distribution and Marketing*</i>					
Water extracted from freshwater sources	28.614	40.5	131.36	131.96	54.56
Water recycled	-	-	-	-	-
Percentage of water recycled	-	-	-	-	-
Water abstracted from sites with high or extremely high initial water stress	29	41	131	132	55
Percentage of water abstracted with water stress versus total abstraction	100	100	100	100	100
Water consumed on sites with high or extremely high initial water stress	7	7	36	39	14
Percentage of water consumed with water stress versus total consumed	100	96.76	100	99.11	100.81

* These data include estimates for the last month of the year. The criterion used to report water stress under SASB differs from the GRI standard. This table may therefore differ from other water stress data reported.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.

WATER CONSUMPTION BY BUSINESS (THOUSAND OF M³)*

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total
Water consumption	2021	501	5,401	2,938	7	8,848
	2020	372	5,174	2,728	6.5	8,281
	2019	411	6,058	3,015	36	9,520
	2018	278	5,085	2,910	39	8,312
	2017	352	4,544	3,268	14	8,178

* These data include estimates for the last month of the year.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.

WATER CONSUMPTION IN WATER-STRESSED AREAS BY BUSINESS (THOUSAND OF M³)*

		Exploration and Production	Refining	Chemicals	Distribution and Marketing**	Total
Water consumption	2021	488	5,401	1,029	7	6,926
	2020	362.33	5,174	1,056	6.3	6,599
	2019	349	6,058	1,375	36	7,819
	2018	266	5,085	36	39	6,756
	2017	209	4,544	7,819	14	6,603

* These data include estimates for the last month of the year.

** Distribution and Marketing only includes Cepsa Bionergía San Roque.

4.6.4 Circular economy

RAW MATERIALS BY ORIGIN AND BUSINESS (THOUSAND TONNES)

	<i>Renewable</i>				
	2021	2020	2019	2018	2017
Refining	462	404	506	441	321
Chemicals*					
Distribution and Marketing	31	30	172	165	102
<i>Total</i>	<i>492</i>	<i>434</i>	<i>678</i>	<i>605</i>	<i>423</i>

RAW MATERIALS BY ORIGIN AND BUSINESS (THOUSAND TONNES)**

	<i>Non-renewable</i>				
	2021	2020	2019	2018	2017
Refining ***	19,045	18,183	21,036	21,727	20,684
Chemicals	4,105	4,038	4,033	4,097	4,709
Distribution and Marketing	-	-	-	-	-
<i>Total</i>	<i>23,150</i>	<i>22,222</i>	<i>25,069</i>	<i>25,824</i>	<i>25,393</i>

* Chemical has processed eventually renewable raw material for the production of sustainable molecules.

** The sum of raw materials is not indicative of the actual amount, as approximately 75% of the raw materials for Chemicals derive from the processing of crude oil in our refineries, so in order to have a representative sum, only imported raw materials would have to be added in Chemicals.

*** The amount of natural gas as a feedstock has been considered in Refining to make it consistent with our carbon footprint report (certified mid-year) and with the CSA reporting in which it has also been included.

QUANTITY OF WASTE MANAGED (TONNES)*

	2021		2020**		2019**		2018**		2017**	
	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Exploration and Production	143,36	1153,5	201	279	304	723	782	664	670	1,965
Refining	11,761	12,067	14,884	9,421	20,113	17,519	21,609	36,202	20,625	11,161
Chemicals	17,460	8,684	17,242	5,065	16,132	2,623	14,575	3,636	12,470	2,825
Distribution and Marketing ***	3,358	2,013	2,611	2,173	4,114	4,485	4,157	3,235	1,457	3,152
<i>Total</i>	<i>32,722</i>	<i>23,918</i>	<i>34,938</i>	<i>16,938</i>	<i>40,663</i>	<i>25,350</i>	<i>41,123</i>	<i>43,736</i>	<i>35,222</i>	<i>19,103</i>

*These data include estimates for the last month of the year.

** The data which may differ from those reported in the Integrated Management Report for previous years are explained by the adjustments and consolidation of the figures through PRTR for national Chemicals and Refining.

*** Distribution and Marketing data since 2020 include Cepsa Bioenergía San Roque, service stations and dock fuel pumps. Data previously included all business plants as well as service stations.

QUANTITY OF WASTE NOT DESTINED FOR DISPOSAL BY TYPE AND RECOVERY METHOD,
MANAGED OFF-SITE (TONNES)*

Type of waste (tons)	Reuse method	2021	2020**	2019**	2018**	2017**
Hazardous waste	Recycling	1,247	577	2,116	148	635
	Other recovery operations	19,617	18,731	17,569	14,468	11,929
	Total	20,864	19,308	19,684	14,616	12,564
Non-hazardous waste	Recycling	1,430	1,022	620	465	806
	Other recovery operations	12,561	8,328	10,769	15,372	6,695
	Total	13,991	9,351	11,389	15,837	7,500

* These data include estimates for the last month of the year.

** The data which may differ from those reported in the Integrated Management Report for previous years are explained by the adjustments and consolidation of the figures through PRTR for national Chemicals and Refining.

QUANTITY OF WASTE DESTINED FOR DISPOSAL BY TYPE AND DISPOSAL METHOD,
MANAGED OFF-SITE (TONNES)*

Type of waste (tons)	Reuse method	2021	2020**	2019**	2018**	2017**
Hazardous waste	Incineration	1,388	315	460	97	225
	Transfer to landfill	10,470	15,315	20,520	26,410	22,433
	Total	11,858	15,630	20,979	26,507	22,658
Non-hazardous waste	Incineration	91	129	123	73	77
	Transfer to landfill	9,836	7,458	13,837	27,827	11,525
	Total	9,927	7,588	13,961	27,900	11,602

* These data include estimates for the last month of the year.

** The data which may differ from those reported in the Integrated Management Report for previous years are explained by the adjustments and consolidation of the figures through PRTR for national Chemicals and Refining.

HAZARDOUS WASTE RECYCLED (TN)*

	2021	2020	2019	2018	2017
Exploration and Production	22.87	64	35.5	147.7	444.41
Refining	-	-	-	-	-
Chemicals	4	0	5	1	0

* These data include estimates for the last month of the year.

AMOUNT OF DRILLING WASTE BY TYPE AND TREATMENT METHOD*

Type of waste (tons)	Treatment / Destination	2020	2019**	2018	2017	
Non-water based waste	Treatment for offshore disposal	-	-	462	202	
	Thermal desorption	-	-	-	-	
	Inerting	-	-	35	1,648	
	Onshore disposal/incineration in controlled areas	-	851	-	-	
	<i>Total</i>	-	<i>851</i>	-	<i>497</i>	<i>8,339</i>
Water based waste	Treatment for offshore disposal	-	2,669	2,815	7,198	81
	Onshore disposal in controlled areas	-	-	-	-	7,464
	Recycling	-	-	2,441	11,749	
	Onshore disposal/incineration in controlled areas	-	-	-	-	2
	<i>Total</i>	-	<i>2,669</i>	<i>2,815</i>	<i>9,639</i>	<i>19,295</i>

* These data include estimates for the last month of the year.

** The data which may differ from those reported in the Integrated Management Report for previous years are explained by the adjustments and consolidation of the figures.

WASTE DATA COLLECTION AND CONTROL

Information on the external management of waste is channelled through the Identification Document (or a similar document depending on the country) completed by all those involved in the process and, ultimately, by the waste managers, by means of which Cepsa and the competent body are accredited for their appropriate environmental management.

Internally, information on waste is input into the control applications at each facility. It is analysed and reviewed by the plant technicians so as to keep track of the waste entering the temporary storage facilities and schedule deliveries to the waste manager, as well as other relevant information. This information serves as a basis for the preparation of the legal documentation that the facilities must submit to the competent authorities on a regular basis.

DRILLING WASTE

The drilling muds used are generally water-based and reuse is encouraged through minimisation techniques such as filtration and reverse osmosis.

For fields where oil-based mud is required, thermal desorption is used as a treatment method to remove the hydrocarbons and render the waste inert before on-site disposal.

SIGNIFICANT ENVIRONMENTAL SPILLS

VOLUME OF HYDROCARBON SPILLS (NO. OF BARRELS)

	2021	2020	2019	2018	2017
Exploration and Production	2	2	6.16	0	0
Refining	327.07	0	0	57.97	18,628.57
Chemicals	0	0	0	0	0
Distribution and Marketing	9.43	14.47	150.96	37.74	0

4.6.5 Protecting biodiversity

We use the following databases to analyse the areas¹ near our facilities with biodiversity significance:

- International Union for the Conservation of Nature and United Nations Environment Programme
- The Ramsar Convention on Wetlands
- Natura 2000 Sites
- Important Bird Areas
- Areas protected by national legislation
- IUCN Red List of Threatened Species

This analysis has led us to identify areas of biodiversity importance in three facilities in Huelva. As a result, we have developed a 'Biodiversity Action Plan' (BAP) to avoid, mitigate, control and offset any impacts. Restoration work has also been carried out at Primera de Palos Lagoon, which has considerably improved biodiversity and the ecological state of the wetlands, which have been recognised as a Ramsar Wetland.

CENTRES OF OPERATIONS LOCATED IN OR ADJACENT TO PROTECTED AREAS

Facility	Business	Geographic location	Position in relation to the protected area	Type of operation	Biodiversity value
Palos Chemical Plant	Refining and Chemicals	Spain	ADJACENT (<1km)	Manufacturing	<ul style="list-style-type: none"> • Palos Lagoon and Las Madres (Ramsar, SCI, IUCN II) • Domingo Rubio Estuary (SCI, Birds Directive Special Protection Area, UICN II, Natura 2000 Network) • El Odiel Dunes (SCI)

OTHER SENSITIVE AREAS IN THE VICINITY OF CEPESA PRODUCTION PLANTS

Facility	Business	Geographic location	Position in relation to the protected area	Type of operation	Biodiversity value
Palos Chemical Plant	Refining and Chemicals	Spain	NEARBY (1-5 km)	Manufacturing	<ul style="list-style-type: none"> • El Odiel Marshes (Ramsar, Biosphere Reserve, SCI, Birds Directive Special Protection Area, IUCN II, Natura 2000 Network) • Tinto River Marshes and Banks (SCI, Natura 2000 Network) • Tinto River Estuary (SCI, Natura 2000 Network) • Dehesa del Estero y Montes de Moguer (SCI) • Tinto River and El Odiel Sea Area (OSPAR Marine Protected Area, Birds Directive Special Protection Area)
			NEARBY (5-20 km)		<ul style="list-style-type: none"> • Doñana (Ramsar, SCI, Birds Directive Special Protection Area, IUCN V, Natura 2000 Network) • Doñana North and West (SCI, Natura 2000 Network) • El Portil Lagoon (SCI, IUCN I) • Tinto River Ecological Corridor (SCI, Natura 2000 Network) • Piedras River Marshes and Flecha del Rompido (SCI, IUCN II) • Punta Umbría Juniper Forest (SCI, IUCN II) • Las Carboneras Marshes (SCI) • Piedras River Estuary (SCI) • Piedras River Marshes (Birds Directive Special Protection Area) • Enmedio Island (IUCN I) • El Burro Marshes (IUCN I) • Gulf of Cadiz (OSPAR Marine Protected Area, Birds Directive Special Protected Area)

¹ In 2021 we have updated the areas of biodiversity importance by including new facilities, such as the Alijar wind farm, and by altering the Exploration and Production areas.

			NEARBY (1-5 km)		<ul style="list-style-type: none"> • Palmones River Marshes (SCI, Natura 2000 Network, Birds Directive Special Protection Area) • Palmones River Marshes Seabed (SCI, Natura 2000 Network) • Eastern Strait (SCI)
Gibraltar-San Roque Refinery	Refining and Chemicals	Spain	NEARBY (5-20 km)	Manufacturing	<ul style="list-style-type: none"> • Rock of Gibraltar (SCI, Birds Directive Special Protection Area) • Southern waters of Gibraltar (SCI, Birds Directive Special Protection Area) • Los Alcornocales (SCI, Birds Directive Special Protection Area, IUCN V, Natura 2000 Network) • Strait (SCI, Birds Directive Special Protection Area, IUCN V, Natura 2000 Network) • Guadiaro River Estuary (SCI, IUCN II, Natura 2000 Network) • Guadiaro and Hozgarganta Rivers (SCI, Natura 2000 Network) • Guadiaro River Estuary Seabed (SCI, Birds Directive Special Protection Area, Natura 2000 Network)
	Refining		NEARBY (1-5 km)		<ul style="list-style-type: none"> • Anaga (SCI, Birds Directive Special Protection Area, IUCN V)
Tenerife Refinery		Spain	NEARBY (5-20 km)	Manufacturing	<ul style="list-style-type: none"> • Ijuana (SCI, IUCN I) • Pijaral (SCI, IUCN I) • Los Roques de Anaga (SCI, IUCN III) • Malpais de Güimar (SCI, IUCN V) • Las Palomas (SCI, IUCN V) • Corona Forestal (SCI, IUCN II) • Las Lagunetas (SCI, IUCN V) • San Andres Seagrass Beds (SCI) • Antequera Seagrass Beds (SCI) • Mountains and Peaks of Tenerife (Birds Directive Special Protection Area) • Anaga Sea Area (Birds Directive Special Protection Area) • Acentejo (IUCN V) • Siete Lomas (IUCN V)
Aljar Wind Farm	Gas and Electricity (Refining)	Spain	NEARBY (5-20 km)	Power generation	<ul style="list-style-type: none"> • Doñana (Ramsar, SCI, Birds Directive Special Protection Area, IUCN V, Natura 2000 Network)
Detén	Chemicals	Brazil	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • Northern coast continental shelf Environmental Protection Area (IUCN V) • Guarajuba Lagoons Environmental Protection Area (IUCN V) • Baía de Todos os Santos Environmental Protection Area (IUCN V) • As Dunas Private Natural Heritage Reserve (IUCN IV)

Facility	Business	Geographic location	Position in relation to the protected area	Type of operation	Biodiversity value
			NEARBY (1-5 km)		<ul style="list-style-type: none"> • Montesson Island Waterfowl Sanctuary (IUCN VI) • Lamarier Bay Waterfowl Sanctuary (IUCN VI) • Pointe aux Roches Waterfowl Sanctuary (IUCN VI) • Battures de Gentilly Waterfowl Sanctuary (IUCN VI) • Ponte-Paul-Rivière aux Originaux Waterfowl Sanctuary (IUCN VI)
Becancour	Chemicals	Canada	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • Muskrat Habitat Southwest of Port Laviolette (IUCN VI) • Port Saint-François-Pont Laviolette Waterfowl Sanctuary (IUCN VI) • Batiscan-Sainte-Anne Waterfowl Sanctuary (IUCN VI) • Champlain Batiscan Waterfowl Sanctuary (IUCN VI) • Les Becquets Deschailons Waterfowl Sanctuary (IUCN VI) • Léon-Provancher Ecological Reserve (IUCN I)
Caracara	Exploration and Production	China	NEARBY (1-5 km)	Production	<ul style="list-style-type: none"> • El Tigrillo Civil Society Nature Reserve (Chinese National Marine Nature Reserve) • Maicana-Manacal Wetland Recreation Area (IUCN VI)
			NEARBY (5-20 km)		<ul style="list-style-type: none"> • Campoflorido Civil Society Nature Reserve (IUCN V)
CQS	Chemicals	China	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • Shanghai Three Jinshan Islands National Marine Nature Reserve (Chinese National Marine Nature Reserve)
Llanos 22	Exploration and Production	Colombia	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • San Miguel de los Farallones Regional Natural Park (IUCN II) • Quebrada la Tablona (National Protected Forest Reserves / VI Managed Resource Protected Area)
Jilguero	Exploration and Production	Colombia	NEARBY (1-5 km)	Production	<ul style="list-style-type: none"> • DMI Mata de la Urama (Regional Integrated Management Districts / VI Managed Resource Protected Area)
			DISTANT (>20 KM)		<ul style="list-style-type: none"> • Noel Parra Palacio (Civil Society Nature Reserve / VI Managed Resource Protected Area) • La Reserva (Civil Society Nature Reserve / VI Managed Resource Protected Area)
Puntero	Exploration and Production	Colombia	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • Corozito (Civil Society Nature Reserve / VI Managed Resource Protected Area) • La Palma (Civil Society Nature Reserve / VI Managed Resource Protected Area)
Merecure	Exploration and Production	Colombia	NEARBY (5-20 km)	Production	<ul style="list-style-type: none"> • Las Brisas (Civil Society Nature Reserve / VI Managed Resource Protected Area)
			DISTANT (>20 KM)		<ul style="list-style-type: none"> • Medano Los Morrucos (Civil Society Nature Reserve / VI Managed Resource Protected Area) • AICA / IBA Taparas (Civil Society Nature Reserve / VI Managed Resource Protected Area)
Los Ángeles	Exploration and Production	Peru	DISTANT (>20 KM)	Production	<ul style="list-style-type: none"> • El Sira Communal Reserve (IUCN VI)
BMS	Exploration and Production	Algeria	DISTANT (>20 KM)	Production	<ul style="list-style-type: none"> • Sanghr Jabbess National Park (National Protected Area)

PROTECTED OR RESTORED HABITATS

	Geographic location	Size
Madrevieja environmental station	San Roque, Spain	200,000 m ²
Primera de Palos lagoon	Huelva, Spain	335,000 m ²
Las Lagunas de Muelle de las Carabelas (La Rábida)	Huelva, Spain	19,700 m ²

SITES ASSESSED FOR BIODIVERSITY RISK

Total no. of operational sites assessed for biodiversity risk	26
Percentage of operational sites assessed for biodiversity risk	100%

OPERATIONAL SITES EXPOSED TO SIGNIFICANT BIODIVERSITY RISK

Total no. of operational sites exposed to significant risk	3
Percentage of assessed operating sites exposed to significant risk	11.5%

OPERATIONAL SITES WITH BIODIVERSITY ACTION PLANS

Action plan	Operational site	Description
Site de Palos BAP	RLR	The Site de Palos (Huelva) BAP covers all three facilities: the La Rábida Refinery (RLR) and its cogeneration plants, the Palos Chemicals Plant and the GEMASA Cogeneration Plant. The work includes the Biodiversity Baseline Study and the implementation of the Palos Site (Huelva) BAP, where the plan characteristics, conservation priorities and lines of action are identified.
Site de Palos BAP	CQP	
Site de Palos BAP	GEMASA (GEPESA)	



4.7 HUMAN RIGHTS

SECURITY STAFF TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES

	2021		2020	
	Own	Contractors	Own	Contractors
No. of workers who received training	0	61	0	89
No. of workers belonging to security personnel	0	546	8	550
Percentage	0	11%	0%	16%

OPERATIONS NEAR INDIGENOUS COMMUNITY SITES

Operations near indigenous sites	Country	Type of area of influence	Commitment strategy
Caracara – Wacoyo Reservation	Colombia	Area of indirect influence	The Wacoyo indigenous community is included in Cepsa EP's annual voluntary social investment campaigns in the sphere of influence of the Caracara Operation. In 2021, the initiative 'Wacoyo Reservation Productive Projects-Rice Cultivation' was launched to improve the Reservation's farming practices, boost food security and generate surpluses.
Block 131 – Sinchi Roca native community	Peru	Area of indirect influence	The Sinchi Roca native community is included in Cepsa EP's annual voluntary social investment campaigns.



4.8 HEALTH AND SAFETY OF PEOPLE, PROCESSES AND FACILITIES

4.8.1 Safety

HEALTH AND SAFETY COMMITTEES

Cepsa's management system has Health and Safety Committees whose role is to encourage employee communication and engagement, as well as channelling health and safety consultations, as determined by our Occupational Risk Prevention regulations.

These committees, formed jointly by company and workers' representatives, are responsible for consultation in relation to the company's approach to occupational health and safety.

Communication on health and safety matters is essential, so the entire workforce is made aware of all aspects by means of the existing platforms (intranet, communications, screens, etc.).

NEAR MISSES

We have implemented a near misses reporting tool available to all the company's employees and contractors. The purpose of this channel is to implement improvement actions by assessing potential incidents.

4.8.2 Major occupational hazards

MAJOR OCCUPATIONAL HAZARDS DETECTED

Overstraining	Hit against moving object
Fall of people at the same level	Projection of fragments or parts
Hits with objects or tools	Thermal contact
Contact with caustic or corrosive substances	
Trapped by or between objects	
Fall of people from a different level	
Stepping on objects	
Explosion	
Exposure to electric contacts	
Falling objects in handling	
Falling objects releases	
Fire	

OWN PERSONNEL ACCIDENT FREQUENCY RATE BY GENDER

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	0.00	3.69	2.93	0.00	7.60	5.85
Spain	0.79	0.66	0.71	0.21	0.58	0.45
<i>Total</i>	<i>0.67</i>	<i>0.66</i>	<i>0.66</i>	<i>0.17</i>	<i>0.68</i>	<i>0.50</i>

Total no. of lost-time accidents / actual hours worked x 1,000,000.

OWN PERSONNEL ACCIDENT FREQUENCY RATE BY BUSINESS

	2021	2020
Exploration and Production	0.00	0.00
Refining	1.32	0.00
Chemicals	0.65	1.39
Distribution and Marketing	0.70	0.71
Others - Research Center	0.00	0.00
<i>Total</i>	<i>0.66</i>	<i>0.50</i>

Total no. of lost-time accidents / actual hours worked x 1,000,000.

EXTERNAL PERSONNEL ACCIDENT FREQUENCY RATE BY COUNTRY

Country	2021	2020
Algeria	0.42	0.52
Canada	30.98	-
China	13.95	-
Colombia	0.95	1.41
Spain	1.61	1.23
<i>Total</i>	<i>1.49</i>	<i>0.94</i>

Total no. of lost-time accidents / actual hours worked x 1,000,000.

EXTERNAL PERSONNEL ACCIDENT FREQUENCY RATE BY BUSINESS

	2021	2020
Exploration and Production	0.55	0.67
Refining	1.39	1.25
Chemicals	4.55	1.88
Distribution and Marketing	0.00	0.00
Others - Research Center	2.55	0.99
<i>Total</i>	<i>1.49</i>	<i>0.94</i>

Total no. of lost-time accidents / actual hours worked x 1,000,000.

OWN PERSONNEL LOST-DAY RATE (ACCIDENT SEVERITY) BY REGION AND GENDER

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	-	1049.05	830.99	-	148.27	114.12
Spain	48.15	85.61	72.18	7.18	34.21	24.59
<i>Total</i>	<i>40.93</i>	<i>99.60</i>	<i>78.53</i>	<i>5.92</i>	<i>32.13</i>	<i>22.77</i>

Total no. of days lost/actual hours worked x 1,000,000.

OWN PERSONNEL LOST-DAY RATE (ACCIDENT SEVERITY) BY BUSINESS

	2021	2020
Exploration and Production	-	-
Refining	94.37	0.00
Chemicals	185.40	27.16
Distribution and Marketing	85.31	38.92
Others - Research Center	0.00	0.00
<i>Total</i>	<i>78.53</i>	<i>22.77</i>

OWN PERSONNEL NEAR MISSES BY COUNTRY

	2021	2020
Canada	169	-
China	3	5
Spain	4,308	607
<i>Total</i>	<i>4,480</i>	<i>612</i>

OWN PERSONNEL NEAR MISSES BY BUSINESS

	2021	2020
Exploration and Production	23	18
Refining	340	190
Chemicals	260	69
Distribution and Marketing	2,760	314
Others - Research Center	1,097	21
<i>Total</i>	<i>4,480</i>	<i>612</i>

RATE OF OWN PERSONNEL NEAR MISSES BY COUNTRY

Country	2021	2020
Canada	1,253.98	-
China	13.34	20.33
Spain	304.86	45.64
<i>Total</i>	<i>269.80</i>	<i>38.07</i>

Total no. of near misses accidents / actual hours worked x 1,000,000.

RATE OF OWN PERSONNEL NEAR MISSES BY BUSINESS

	2021	2020
Exploration and Production	28.43	19.40
Refining	111.80	64.04
Chemicals	169.73	48.05
Distribution and Marketing	321.23	37.37
Others	416.96	8.96
<i>Total</i>	<i>269.80</i>	<i>38.07</i>

Total no. of near misses accidents / actual hours worked x 1,000,000.

EXTERNAL PERSONNEL NEAR MISSES BY COUNTRY

	2021	2020
Canada	1	-
China	4	-
Spain	126	3
<i>Total</i>	<i>131</i>	<i>3</i>

EXTERNAL PERSONNEL NEAR MISSES BY BUSINESS

	2021	2020
Exploration and Production	5	1
Refining	86	1
Chemicals	7	-
Distribution and Marketing	28	1
Others	5	-
<i>Total</i>	<i>131</i>	<i>3</i>

RATE OF EXTERNAL PERSONNEL NEAR MISSES BY COUNTRY

	2021	2020
Canada	30.98	0
China	18.60	0
Spain	22.52	0.46
<i>Total</i>	<i>13.01</i>	<i>0.26</i>

Total no. of near misses accidents / actual hours worked x 1,000,000.

RATE OF EXTERNAL PERSONNEL NEAR MISSES BY BUSINESS

	2021	2020
Exploration and Production	1.36	0.22
Refining	29.99	0.31
Chemicals	4.55	-
Distribution and Marketing	23.15	0.72
Others	6.37	-
<i>Total</i>	<i>13.01</i>	<i>0.26</i>

Total no. of near misses accidents / actual hours worked x 1,000,000.

INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR OWN PERSONNEL BY GENDER AND COUNTRY

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	-	1	1	-	-	-
Spain	-	-	-	-	1	1
<i>Total</i>	-	1	1	0	1	1

INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR OWN PERSONNEL BY BUSINESS

	2021	2020
Exploration and Production	-	-
Refining	-	-
Chemicals	1	-
Distribution and Marketing	-	1
Others	-	-
<i>Total</i>	<i>1</i>	<i>1</i>

INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR EXTERNAL PERSONNEL BY COUNTRY

	2021	2020
Spain	-	1
<i>Total</i>	<i>0</i>	<i>1</i>

INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR EXTERNAL PERSONNEL BY BUSINESS

	2021	2020
Exploration and Production	-	-
Refining	-	-
Chemicals	-	1
Distribution and Marketing	-	-
Others	-	-
<i>Total</i>	<i>0</i>	<i>1</i>

RATE OF INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR OWN PERSONNEL BY GENDER AND COUNTRY

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	-	3.69	2.93	-	-	-
Spain	-	-	-	-	0.12	0.08
<i>Total</i>	<i>0</i>	<i>0.09</i>	<i>0.06</i>	<i>0</i>	<i>0.10</i>	<i>0.06</i>

Recordable occupational injury rate = Number of recordable occupational injuries / Number of hours worked *1,000,000.

RATE OF INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR OWN PERSONNEL BY BUSINESS

	2021	2020
Exploration and Production	-	-
Refining	-	-
Chemicals	0.65	-
Distribution and Marketing	-	0.12
Others	-	-
<i>Total</i>	<i>0.06</i>	<i>0.06</i>

Recordable occupational injury rate = Number of recordable occupational injuries / Number of hours worked *1,000,000.

RATE OF INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR EXTERNAL PERSONNEL BY COUNTRY

	2021	2020
Spain	-	0.15
<i>Total</i>	<i>0</i>	<i>0.09</i>

Major industrial accident injury rate = Number of major industrial accident injuries (excluding fatalities) / Number of hours worked *1,000,000.

RATE OF INJURIES DUE TO OCCUPATIONAL ACCIDENTS WITH MAJOR CONSEQUENCES FOR EXTERNAL PERSONNEL BY BUSINESS

	2021	2020
Exploration and Production	-	-
Refining	-	-
Chemicals	-	0.63
Distribution and Marketing	-	-
Others	-	-
<i>Total</i>	<i>0</i>	<i>0.09</i>

Major industrial accident injury rate = Number of major industrial accident injuries (excluding fatalities) / Number of hours worked *1,000,000.

NUMBER OF OWN PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY GENDER AND COUNTRY

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	-	1	1	-	4	4
Spain	6	12	18	19	38	57
Portugal	-	1	1	2	-	2
<i>Total</i>	<i>6</i>	<i>14</i>	<i>20</i>	<i>21</i>	<i>42</i>	<i>63</i>

NUMBER OF OWN PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY BUSINESS

	2021	2020
Exploration and Production	0	0
Refining	10	6
Chemicals	1	6
Distribution and Marketing	7	50
Others	2	1
<i>Total</i>	<i>20</i>	<i>63</i>

NUMBER OF EXTERNAL PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY COUNTRY

	2021	2020
Algeria	2	2
Brazil	4	3
Canada	1	-
China	3	-
Colombia	2	2
Spain	14	23
<i>Total</i>	<i>26</i>	<i>30</i>

NUMBER OF EXTERNAL PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY BUSINESS

	2021	2020
Exploration and Production	4	4
Refining	7	9
Chemicals	13	13
Distribution and Marketing	-	3
Others	2	1
<i>Total</i>	<i>26</i>	<i>30</i>

RATE OF OWN PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY GENDER AND COUNTRY

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Brazil	-	3.69	2.93	-	15.21	11.70
Spain	1.18	1.32	1.27	4.01	4.44	4.29
Portugal	-	2.10	0.94	3.17	-	1.71
<i>Total</i>	<i>1.01</i>	<i>1.32</i>	<i>1.20</i>	<i>3.66</i>	<i>4.06</i>	<i>3.92</i>

Recordable occupational injury rate = Number of recordable occupational injuries / Number of hours worked *1,000,000.

RATE OF OWN PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY BUSINESS

	2021	2020
Exploration and Production	0.00	0.00
Refining	3.29	2.02
Chemicals	0.65	4.18
Distribution and Marketing	0.81	5.95
Others	0.76	0.43
<i>Total</i>	<i>1.20</i>	<i>3.92</i>

Recordable occupational injury rate = Number of recordable occupational injuries / Number of hours worked *1,000,000.

RATE OF EXTERNAL PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY COUNTRY

	2021	2020
Algeria	0.84	1.04
Brazil	7.07	6.82
Canada	30.98	-
China	13.95	-
Colombia	1.89	1.41
Spain	2.50	3.55
<i>Total</i>	<i>2.58</i>	<i>2.58</i>

RATE OF OWN AND EXTERNAL PERSONNEL INJURIES DUE TO RECORDABLE OCCUPATIONAL ACCIDENTS BY BUSINESS

	2021	2020
Exploration and Production	1.09	0.89
Refining	2.44	2.82
Chemicals	8.45	8.15
Distribution and Marketing	0	2.17
Others	2.55	0.99
<i>Total</i>	<i>2.58</i>	<i>2.58</i>

Recordable occupational injury rate = Number of recordable occupational injuries / Number of hours worked *1,000,000.

INCIDENCE OF OCCUPATIONAL DISEASES AND ABSENTEEISM

Country	2021			2020		
	Women	Men	Total	Women	Men	Total
Number of occupational diseases ¹	0	0	0	1	0	1
Hours of absenteeism ²	347,465	457,817	805,282	302,065	409,440	711,505

¹ There are two declarations confirmed by the Social Security authorities relating to the same worker.

² In order to maintain the criteria applied in recent years, the following cases are regarded as absenteeism: Delay, Unjustified absence, Unpaid leave, Leave of absence, Medical consultation, Sickness <= 3 days, Sickness 4-15 days, Sickness >= 16 days, Maternity, Paternity, Pregnancy risk, Breastfeeding risk and Accident for all group companies except for the Service Stations, where there is no attendance control system beyond the time register and for which only absences affecting the payroll are considered: Unjustified absence, Unpaid leave, Sickness <= 3 days, Sickness 4-15 days, Sickness >= 16 days, Maternity, Paternity, Pregnancy risk, Breastfeeding risk and Accident.

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NUMBER OF TRANSPORT ACCIDENTS

	2021	2020
Chemicals	2	5

4.8.3 Safety of facilities

NUMBER OF PROCESS SAFETY INCIDENTS BY BUSINESS

Business	2021			2020		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Exploration and Production		1	15			12
Refining	3	1	227	2	1	193
Chemicals	1	2	265	2	2	208
Distribution and Marketing		1	42		4	45
Others - Research Center			3			5
<i>Total</i>	4	5	552	4	7	463

TOTAL INCIDENT RATE AND SEVERITY RATE OF PROCESS SAFETY INCIDENTS IN THE CHEMICALS BUSINESS DIVISION

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PROCESS SAFETY INCIDENTS]

	Chemicals	
	2021	2020
PSIC	3.00	4.00
PSTIR	0.20	0.26
PSISR	2.93	4.69

4.9 SUSTAINABLE SUPPLY CHAIN

4.9.1 Distribution by supply chain segment¹²

DISTRIBUTION BY SUPPLY CHAIN SEGMENT IN 2021*

Segment ¹	N°. of suppliers	% of suppliers	Volume of purchases ²	% of amount contracted
Segment I	66	2.31%	350,201,329 €	50.07%
Segment II	121	4.24%	146,178,596 €	20.89%
Segment III	240	8.40%	103,556,409 €	14.80%
Segment IV	999	34.98%	88,251,709 €	12.61%
Segment V	1,430	50.07%	11,425,006 €	1.63%
Total	2,856	100%	699,613,049 €	100%

⁽¹⁾ The segments are distributed as follows: Segment 1 >1.9 million €; Segment 2: >700 k€ <1.9 million €; Segment 3: >250 k€ <700 k€; Segment 4: >25 k€ <200 k€; Segment 5: <25 k€.

⁽²⁾ The volume of purchases is calculated without including VAT.

^(*) The information reported within the procurement scope excludes the purchase of crude oil, raw materials, energy products and maritime transport related to these products; primary logistics (CLH); financial products and services; the Group's internal operations; donations; and payments of taxes and duties.

DISTRIBUTION BY SUPPLY CHAIN SEGMENT IN 2020*

Segment ¹	N°. of suppliers	% of suppliers	Volume of purchases ²	% of amount contracted
Segment I	77	2.10%	459,624,616 €	50.75%
Segment II	163	4.44%	216,868,197 €	23.95%
Segment III	267	7.27%	117,375,078 €	12.96%
Segment IV	1,075	29.26%	98,332,962 €	10.86%
Segment V	2,092	56.94%	13,396,893 €	1.48%
Total	3,674	100%	905,597,746 €	100%

⁽¹⁾ The segments are distributed as follows: Segment 1 >2.3 million €; Segment 2: >800k <2.3 million €; Segment 3: >250 k€ <800 k€; Segment 4: >25 k€ <250 k€; Segment 5: <25 k€.

⁽²⁾ The volume of purchases is calculated without including VAT.

^(*) The information reported within the procurement scope excludes the purchase of crude oil, raw materials, energy products and maritime transport related to these products; primary logistics (CLH); financial products and services; the Group's internal operations; donations; and payments of taxes and duties.

¹ It is reported to Procurement with the same scope as last year except as described. Integrated supplier management covers those suppliers with whom business amounts to an accumulated amount of €25 thousand or more a year. Amounts below €25 thousand are referred to as "tail spend". Projects to reduce tail spend are still in place and have been extended to comply with the objectives of flexibility and simplification. Monitoring takes place over all segments in any event and all are reported although management focus is on segments I, II, III and IV.

² The scale is adjusted annually in order to meet the criteria explained above as set out in the procurement manual.

DISTRIBUTION BY SUPPLY CHAIN SEGMENT IN 2019*

Segment ¹	Nº. of suppliers	% of suppliers	Volume of purchases ²	% of amount contracted
Segment I	125	2.92%	844,327,386	60.75%
Segment II	228	5.32%	299,670,718	21.56%
Segment III	395	9.22%	149,657,269	10.77%
Segment IV	1,616	37.73%	90,203,587	6.49%
Segment V	1,919	44.81%	5,928,614	0.43%
<i>Total</i>	<i>4,283</i>	<i>100.00%</i>	<i>1,389,787,574</i>	<i>100%</i>

⁽¹⁾ The segments are distributed as follows: Segment 1 >3 million €; Segment 2: >1 million € <3 million €; Segment 3: >300 k€ <1 million €; Segment 4: >10 k€ <300 k€; Segment 5: <10 k€.

⁽²⁾ The volume of purchases is calculated without including VAT.

(*) The information reported within the procurement scope excludes the purchase of crude oil, raw materials, energy products and maritime transport related to these products; primary logistics (CLH); financial products and services; the Group's internal operations; donations; and payments of taxes and duties.

4.9.2 Geographic distribution of the supply chain

Cepsa classifies its suppliers into different categories according to their geographic origin and the country where the service is provided:

- **National supplier:** the supplier's country is the same as that of the contracting Cepsa company.
- **International supplier:** the supplier's country is different from that of the contracting Cepsa company.
- **Local supplier:** supplier with headquarters in the area where Cepsa carries out its activity, i.e. in the local community.
- **Locally-based supplier:** non-local supplier without headquarters in the area where Cepsa carries out its activity but that has opened an office/branch in the local community.
- **Non-local supplier:** supplier with headquarters in an area other than the area where Cepsa carries out its activity.

DISTRIBUTION BY GEOGRAPHIC LOCATION OF THE SUPPLY CHAIN IN 2021

	Nº. of suppliers	% of total suppliers	Volume of purchases ²	% of purchase volume
Africa	1	0.04%	32,676 €	0.0%
America	1,043	36.52%	76,629,255 €	10.95%
Asia and Oceania	197	6.90%	13,457,688 €	1.92%
Spain	1,327	46.46%	552,781,038 €	79.01%
Europe	288	10.08%	56,712,392 €	8.11%
<i>Total</i>	<i>2,856</i>	<i>100.00%</i>	<i>699,613,049 €</i>	<i>100.00%</i>

DISTRIBUTION BY GEOGRAPHIC LOCATION OF THE SUPPLY CHAIN IN 2020

	Nº. of suppliers	% of total suppliers	Volume of purchases²	% of purchase volume
Africa	5	0.14%	271,113 €	0.03%
America	1,137	30.95%	92,953,836 €	10.26%
Asia and Oceania	324	8.82%	54,236,658 €	5.99%
Spain	1,812	49.32%	662,075,530 €	73.11%
Europe	396	10.78%	96,060,609 €	10.61%
<i>Total</i>	<i>3,674</i>	<i>100.00%</i>	<i>905,597,746 €</i>	<i>100.00%</i>

DISTRIBUTION BY GEOGRAPHIC LOCATION OF THE SUPPLY CHAIN IN 2019

	Nº. of suppliers	% of total suppliers	Volume of purchases²	% of purchase volume
Africa	3	0.07%	177,152 €	0.01%
America	1,419	33.13%	154,539,556 €	11.12%
Asia and Oceania	334	7.80%	92,964,193 €	6.69%
Spain	2,095	48.91%	948,463,393 €	68.25%
Europe	432	10.09%	193,643,280 €	13.93%
<i>Total</i>	<i>4,283</i>	<i>100.00%</i>	<i>1,389,787,574 €</i>	<i>100.00%</i>



PERCENTAGE OF AMOUNT CONTRACTED FROM NATIONAL AND LOCAL SUPPLIERS IN 2021, 2020 AND 2019*

Geographic location	% of amount contracted from national suppliers	% of amount contracted from national suppliers	% of amount contracted from national suppliers	% of amount contracted from national suppliers	% of amount contracted from national suppliers	% of amount contracted from local suppliers or locally-based suppliers
	2021	2021	2020	2020	2019	2019
Spain	99.95%	39.73%	99.99%	47.96%	99.98%	46.75%
Colombia	94.84%	42.36%	82.67%	52.38%	100.00%	44.96%
Brazil	100.00%	73.02%	100.00%	72.13%	100.00%	72.37%
Other Europe	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SEA (Thailand, Singapore and Malaysia)	96.24%	30.82%	96.94%	20.17%	99.65%	11.05%
China	99.99%	93.66%	89.09%	77.83%	95.93%	77.08%
Portugal	82.86%	38.86%	70.16%	46.72%	62.14%	33.42%
Peru	91.41%	17.69%	99.95%	23.14%	100.00%	23.17%
Canada	93.23%	79.60%	92.50%	89.54%	10.94%	9.38%
Other	0.00%	0.00%	11.62%	0.00%	0.00%	0.00%
Total	90.20%	37.77%	86.70%	42.60%	84%	38%

^(*) In 2019 it may be observed that, due to the COVID situation, the total amount contracted was lower than last year and than the recent-year trend. Nonetheless, the % of national and local purchases is higher, probably for the same reason.

4.9.3 Training of purchasing employees

In 2021, we have trained the personnel assigned to our purchasing unit in ESG aspects through specific initiatives in association with Forética, and we have implemented training on Sustainable Development Goals for all our employees.

In 2021, 105 buyers were trained in ESG issues and 92 buyers completed training actions related to the SDGs. In addition, 317 suppliers received ESG training and 344 were trained in the Supplier Code of Ethics.

Also in 2021, as a result of the inclusion of the company's ESG performance in our professionals' objectives, the purchasing unit's variable remuneration includes annual ESG-related targets both as a unit and at the individual level.

4.10 COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT

4.10.1 Commitment and social management

POTENTIAL ADVERSE IMPACTS ON LOCAL COMMUNITIES

The potential adverse impacts of our Exploration & Production business are controlled by means of planned, scheduled and monitored prevention and mitigation actions.

POTENTIAL ADVERSE IMPACTS ON COMMUNITIES

Impacts	Prevention and mitigation actions
Particulate matter on roads	We carry out maintenance work in the most problematic areas.
Scenarios of possible contamination by spilled substances	We have contingency teams should the need arise. We also conduct regular drills and we have agreements with third parties to deal with operational emergencies.
Emissions	We have the right equipment and engineering measures in the field to minimise impacts and keep local air quality in optimal conditions.
Natural resources	We have all our water abstraction permits up to date and programmes in place to minimise abstraction and maximise reuse.
Water discharges	We do not discharge into surface water bodies.
Noise	We take regular measurements to monitor external impacts.
Resettlement	There has been no resettlement.

COMPLAINTS AND DISPUTES

In our Latin American Exploration & Production business, we provide the communities in the area of influence of Cepsa's projects with a procedure for making requests, complaints and claims.

In 2021, requests received in Colombia related above all to increasing our social investment to reach more families that are arriving in the local communities and asking to be included as beneficiaries of our production projects.

In Peru, these requests were focused mainly on road infrastructure support. As they related mostly to public competences, dialogues were established between authorities, communities and the company, and satisfactory agreements were reached to improve the road network and health and education infrastructures.

Our Canary Islands industrial centre received a request for information from the Canary Islands Government's Directorate General for the Fight against Climate Change and the Environment regarding the work carried out at the La Hondura Maritime Terminal and the removal of concrete blocks that allegedly contained lead. The blocks were analysed at the time without any risk to humans or the marine environment being detected, and were subsequently disposed of by an authorised waste manager.

RELATIONSHIP WITH INDIGENOUS COMMUNITIES³




None of our operations are located inside indigenous community sites, although we have a close relationship with and provide social support for the Wacoyo community, which is included in our Exploration & Production business' annual voluntary social investment campaigns in the area of influence of the Caracara asset (Colombia). In 2021, the initiative 'Wacoyo Reservation Productive Projects-Rice Cultivation' was launched to improve farming practices, boost food security and generate surpluses.

The Sinchi Roca native community, though not within the scope of our operations, is included in voluntary social investment campaigns in the area of influence of the Block 131 operation (Peru).

No violation of the rights of indigenous peoples was identified during the year.

4.10.2 Our foundation's priorities and main initiatives

THE FUNDACIÓN CEPESA'S MANAGEMENT PRIORITIES

Areas	Description of the alignment between local communities and Cepsa's activity	KPIs benefiting the company	KPIs benefiting society
Social support: inclusion of disadvantaged groups to foster local community development. 	Our Chemicals, Refining and Exploration & Production activities make us a key player for economic and social development in our local communities.	Negative perception of the company by its stakeholders.	Number of collaborations promoted to favour general interest projects.
Environmental: conservation and improvement of natural areas near our facilities and environmental awareness-raising. 	We mitigate and offset the environmental impact of our activities by conserving natural spaces near our facilities.	Number of partnerships with environmental entities.	Number of scientific projects supported for the study and recovery of natural areas and species of interest.
Scientific-educational: promotion of scientific and university research on energy and technology. 	Our businesses undergo constant technological innovation and competition for talent.	Number of studies and research applicable to Cepsa's activities.	Number of people participating in training actions supported by the Fundación Cepsa.

³ At Cepsa we classify indigenous communities in accordance with applicable national legislation.

SOCIAL SUPPORT INITIATIVES

Name of initiative	Country	Developers	Description of the initiative and associated impact
Psychosocial support for people affected by La Palma volcano (Canary Islands)	Spain	Fundación Cepsa	Collaboration with the Red Cross to provide psychological and emotional support for families affected by the eruption of the volcano on La Palma in the form of individual therapy and group sessions.
Social Value Awards with a focus on Sustainability	Brazil, Colombia, Spain and Portugal	Fundación Cepsa	We have included a new judging criterion in the Social Value Awards for projects that contribute to the ecological transition. We have also increased the prize money up to a maximum of €15,000 for each winning project.
<i>Voluntas</i> distance volunteering programme	Spain	Fundación Cepsa	We have strengthened distance volunteering through two initiatives: weekly telephone support for the elderly in collaboration with the organisation Adopta un Abuelo (Adopt a Grandparent), and support in the search for employment for young people at risk of exclusion in association with the Iter Foundation.
Productive projects with farming communities	Colombia	Fundación Cepsa	We have worked with 140 families, advising them on agroecology, farming technologies and the preparation family livelihood plans so they are able to undertake sustainable agricultural projects.
Soup kitchens	Algeria	Fundación Cepsa	We have donated food to soup kitchens in the city of Hassi Messaoud in collaboration with the Inshane Association.
Improvement of community infrastructures	Peru	Fundación Cepsa	We have supported the 'Glass of Milk Programme' and the Macuya municipal headquarters to improve living conditions through water and waste management services. We have also supported the Santa Rosa de Pata school by donating construction materials to repair classrooms damaged by hurricane winds, building bridges in the local area, such as the San Pedro de Alto Macuya bridge, and donating construction materials to improve the local sewage system in the Caserío Primavera community.
Summer Plan: improvements to local roads	Peru	Cepsa	<p>The town of Macuya and annexed districts and sectors, and the Los Ángeles hamlet, both within the Tournavista municipality and near to our E&P Ucayali asset, have safe transit issues due to the precarious state of their local roads. During the rainy season, the inhabitants have problems accessing public services, food and local markets where they sell their agricultural produce, among other issues.</p> <p>In 2021, Cepsa launched the 'Summer Plan' initiative in the context of the dialogue initiated in July 2021 by the National Government and the authorities involved in developing Macuya. This initiative consists of gravelling local roads to benefit eight districts annexed to Macuya and the Los Ángeles hamlet.</p> <p>The main objective is to improve vehicle traffic on the local roads throughout the year, allowing the continuous selling of agricultural and livestock products, so as to revitalise the local economy.</p>

ENVIRONMENTAL INITIATIVES

Name of initiative	Country	Developers	Description of the initiative and associated impact
Reforestation	Spain and Portugal	Fundación Cepsa	In Madrid, we are taking part in the 'Re-Planta' initiative promoted by Madrid Futuro, which aims to plant 10,000 trees to compensate for the damage caused by the winter storm Filomena. In Portugal, we have cooperated with the Quercus Environmental Association in the planting of 1,500 trees in the Leiria Pine Forest, which was affected by the fires of 2017.
Domestic oil recycling	Spain	Fundación Cepsa	The Fundación Cepsa promotes the recycling of used cooking oil with a dual effect: environmental, through proper waste management, and social, by generating income thanks to the recovery of used oil. In 2021, the funds obtained from oil recycling were donated to international cooperation projects in Peru and Mozambique. In Madrid we have also supported AFANIAS, which collects oil from schools and promotes jobs for people with intellectual disabilities.
Environmental education for schoolchildren on World Wetlands Day	Spain	Fundación Cepsa	We organised a new edition of wetlands day under the slogan ' <i>Inseparable: Water, Wetlands and Life</i> ', when schools from Campo de Gibraltar and Huelva went to the Madre Vieja environmental station and the Primera de Palos Lagoon foreducational workshops and recreational activities highlighting the importance of natural spaces.
Restoration and maintenance of the Primera de Palos Lagoon	Spain	Fundación Cepsa	In association with the Andalusian Regional Government, we took part in activities to restore this natural area to its original state and allow future conservation. This year also marks the 20th anniversary of this initiative.



SCIENTIFIC-EDUCATIONAL INITIATIVES

Name of initiative	Country	Developers	Description of the initiative and associated impact
Girls with Science@ULL	Spain	Fundación Cepsa	In collaboration with the La Laguna University's General Foundation in Tenerife, we promoted the second edition of this informative audiovisual series featuring the testimonies of 24 female researchers from the university to promote scientific and technological vocations for young women in the Canary Islands.

4.10.3 Breakdown of social investment data

THE FUNDACIÓN CEPESA'S INVESTMENT IN SOCIAL ACTION BY AREA (EUROS)

	2021	2020
Social support	€2,137,873	€2,763,537
Environmental	€ 671,578	€355,215
Scientific-educational	€ 765,845	€483,339
Management expenditures	€ 331,782	€740,305
<i>Total</i>	<i>€3,907,078</i>	<i>€4,342,396</i>



4.10.4 Breakdown of the Fundación Cepsa's social investment

BY COUNTRY

	2021	2020
Brazil	€57,515	€67,728
Canada	€3,900	€4,680
Colombia	€728,745	€791,171
Spain	€2,868,882	€3,277,874
Peru	€121,171	€114,729
Portugal	€100,065	€73,300
Algeria	€26,800	€12,914
<i>Total</i>	<i>€3,907,078</i>	<i>€4,342,396</i>

TYPE OF CONTRIBUTION

	2021	2020
Financial assistance	€2,665,011	€2,788,026
Project implementation and development costs	€910,284	€814,066
Management expenditure	€331,783	€740,304
<i>Total</i>	<i>€3,907,078</i>	<i>€4,342,396</i>

TYPE OF CONTRIBUTION BY MOTIVATION

	2021	2020
One-off contribution	€2,093,075	€2,582,138
Social investment	€1,814,003	€1,760,258
<i>Total</i>	<i>€3,907,078</i>	<i>€4,342,396</i>

4.10.5 Breakdown of Cepsa's operational social investment

BY COUNTRY SOCIAL ACTION EP

	2021	2020
Colombia	€21,505	€18,374
Peru	€491,903.16	€47,935
Thailand	-	€365,722
<i>Total</i>	<i>€513,408.16</i>	<i>€432,031</i>

TYPE OF CONTRIBUTION

	2021	2020
Project implementation and development costs	€513,408	-
<i>Total</i>	<i>€513,408</i>	<i>-</i>

TYPE OF CONTRIBUTION¹

	2021	2020
Initiative aligned with the business	€513,408	€432,031
<i>Total</i>	<i>€513,408</i>	<i>€432,031</i>

⁽¹⁾ The reduction is mainly due to the discontinuance of production in Thailand in the first half of 2020 and therefore of the associated social investments.

INVESTMENT BY AREA (EUROS)

	2021	2020
Social support	€491,903	€396,813
Scientific-educational	€21,505	€35,218
<i>Total</i>	<i>€513,408</i>	<i>€432,031</i>

4.11 TRANSPARENCY AND FISCAL RESPONSIBILITY

COUNTRY BY COUNTRY REPORT 2020

Tax Jurisdiction	Income from third parties	Income from related Entity	Total Income	Profit/(loss) before Corporate Tax
Spain	€14,040,168,148	€15,381,055,564	€29,421,223,712	€-1,183,026,828
Algeria	€114,517,772	€233,817,269	€348,335,041	€-4,979,798
Belgium	€0	€3,280,202	€3,280,202	€178,701
Brazil	€221,587,475	€6,156,952	€227,744,427	€62,985,616
Canada	€79,419,911	€76,940,514	€156,360,425	€21,953,765
China	€340,230,508	€75,533,065	€415,763,573	€93,671,149
Colombia	€72,045,555	€18,401,822	€90,447,377	€-55,310,725
United Arab Emirates	€41,511,683	€1,256,739	€42,768,422	€3,968,083
United States of America	€1,645,145	€0	€1,645,145	€801,168
Italy	€10,028,109	€22,173	€10,050,282	€-10,225,401
Mexico	€51,529,831	€0	€51,529,831	€-2,591,947
Luxembourg	€7,650,411	€0	€7,650,411	€786,726
Morocco	€6,571,999	€3,001,246	€9,573,245	€-39,108,277
Malaysia	€25,149,709	€3,744	€25,153,453	€-32,537,329
Netherlands	€689,969,592	€207,661,006	€897,630,598	€8,196,232
Peru	€674,833,908	€52,807,512	€727,641,420	€4,954,828
Portugal	€2,769,869	€336,395	€3,106,264	€2,741,754
United Kingdom	€22,229,342	€12,428,308	€34,657,650	€-9,265,299
Singapore	€7,446,215	€333,215,664	€340,661,879	€-17,243,750
Suriname	€80,948,850	€218,025	€81,166,875	€6,123,219
Thailand	€68	€0	€68	€-121,255

Corporate Tax paid (special VAT payment scheme)	Accrued income tax. Current year	Declared capital	Undistributed profits	Number of workers	Tangible assets other than cash and cash equivalents
€-1,046,549	€228,163,986	€3,394,823,252	€3,514,622,089	8,299	€5,173,337,016
€-153,636,729	€-77,077,023	€0	€0	130	€303,955,909
€-320,000	€-60,283	€65,000	€125,952	9	€49,443
€-2,208,341	€-2,350,081	€162,845,216	€95,962,907	179	€75,013,314
€-745,570	€-5,888,235	€1,152,428	€36,284,882	63	€55,008,066
€0	€0	€267,813,580	€-100,445,707	118	€378,496,164
€4,000,056	€-26,921,805	€0	€0	182	€86,766,479
€-843,784	€-1,084,036	€6,024,800	€6,544,414	6	€6,189,927
€3,470	€6,226	€2,725,000	€37,546,575	0	€0
€-2,483,653	€2,078,173	€27,521,538	€2,419,869	11	€312,162
€0	€685,002	€13,880,576	€-5,570,997	10	€4,630,730
€0	€-171,517	€6,898,772	€2,439,387	13	€1,050,756
€-794,293	€-602,299	€184,837,078	€-93,491,625	5	€122,543
€-5,456,437	€-6,047,873	€95,168,877	€-60,727,845	46	€8,513,699
€-2,891,692	€-2,845,019	€53,541,051	€14,698,372	598	€142,212,790
€-1,644,800	€-1,902,400	€242,664,129	€-192,691,965	7	€13,479,266
€0	€-14,552	€0	€0	0	€0
€-4,695,729	€-2,036,738	€3,878,374	€-31,717,960	42	€246,230
€-91,538,669	€-26,074,073	€1,123,554	€842,052	32	€1,418,396,059
€-1,533,845	€-1,370,910	€3,337,490	€9,117,240	7	€6,878,039
€0	€0	€8,477	€-117,091	2	€0

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
ATLAS, S.A. COMBUSTIBLES Y LUBRIFICANTES	SPAIN			Sales, Marketing or Distribution
CEPSA ENERGY COMPANY INTERNATIONAL, SLU	SPAIN			Manufacturing or Production
CEDIPSA COMPAÑIA ESPAÑOLA DISTRIBUIDORA DE PETROLEOS, S.A.	SPAIN			Sales, Marketing or Distribution
CEPSA (RHOURE EL ROUNI) LIMITED	SPAIN	CAYMAN ISLANDS		Manufacturing or Production
CEPSA ALGERIE, S.L.	SPAIN			Manufacturing or Production
CEPSA AVIACIÓN, S.A.	SPAIN			Sales, Marketing or Distribution
CEPSA BIOENERGÍA SAN ROQUE, S.L.U	SPAIN			Manufacturing or Production
CEPSA BUSINESS SERVICES S.A.	SPAIN			Administration, Management or Support Services
CEPSA CARD, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA COLOMBIA, S.A.	SPAIN			Manufacturing or Production
CEPSA COMERCIAL PETROLEO, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA E.P. ABU DHABI, S.L.U	SPAIN			Manufacturing or Production
CEPSA EP ESPAÑA, S.L.U.	SPAIN			Manufacturing or Production
CEPSA GAS Y ELECTRICIDAD, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA PERU, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA PETRONUBA, S.A.U.	SPAIN			Administration, Management or Support Services
CEPSA QUIMICA CHINA, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA QUIMICA, SA	SPAIN			Sales, Marketing or Distribution
CEPSA, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA SURINAM, S.L.U	SPAIN			Manufacturing or Production
CEPSA TRADING, S.A.U.	SPAIN			Purchasing or Supplies; Sales, Marketing or Distribution
CMD AEROPUERTOS CANARIOS, S.L.	SPAIN			Sales, Marketing or Distribution
COASTAL ENERGY COMPANY, S.L.U.	SPAIN			Ownership of shares or other instruments representing capital
COASTAL ENERGY COMPANY (KHORAT) LTD	SPAIN			Ownership of shares or other instruments representing capital

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
COMPañIA ESPAÑOLA DE PETROLEOS, SA	SPAIN			Research and Development; Ownership or management of intellectual property; Purchases or supplies; Manufacturing or Production; Sales, Marketing or Distribution; Administration, Management or Support Services; Provision of services to non-associated companies; Group internal finances; Insurance; Ownership of shares or other instruments representing capital
ERS SPAIN GESTIÓN CORREDURIA DE SEGUROS, S.L.	SPAIN			Sales, Marketing or Distribution
GENERACIÓN ELECTRICA PENINSULAR, S.A.	SPAIN			Manufacturing or Production
OLEODUCTOS CANARIOS, S.A.	SPAIN			Provision of services to non-associated companies
PETROLEOS DE CANARIAS, SA	SPAIN			Sales, Marketing or Distribution
PLASTIFICANTES DE LUTXANA, S.A.	SPAIN			No activity
RED ESPAÑOLA DE SERVICIOS, S.A.U	SPAIN			Sales, Marketing or Distribution
RESSA SERVICE, S.L.U.	SPAIN			No activity
SERVICIOS ENERGETICOS DE ALTA EFICIENCIA, S.A.U.	SPAIN			Sales, Marketing or Distribution
SPANISH INTOPLANE SERVICES, S.L.U.	SPAIN			Sales, Marketing or Distribution
SURESA RETAMA, S.L.U.	SPAIN			Sales, Marketing or Distribution
FUNDACION CEPESA	SPAIN			Other
CEPSA FINANCE, S.A.U.	SPAIN			Group internal finances
CEPSA TREASURY, S.A.U.	SPAIN			Group internal finances
CEPSA GAS COMERCIALIZADORA, S.A.	SPAIN			Sales, Marketing or Distribution
MITRA DELTA SLU	SPAIN			Sales, Marketing or Distribution
MITRA IOTA SLU	SPAIN			Sales, Marketing or Distribution
MITRA EPSILON SLU	SPAIN			Sales, Marketing or Distribution
EMPRESA IBERICA DE GAS LICUADO ESPAÑA, S.L.U	SPAIN			Sales, Marketing or Distribution
MITRA SIGMA SLU	SPAIN			Sales, Marketing or Distribution
MITRA LAMBDA SLU	SPAIN			Sales, Marketing or Distribution

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
MITRA NU SLU	SPAIN			Sales, Marketing or Distribution
MITRA OMICRON	SPAIN			Sales, Marketing or Distribution
MITRA PI SLU	SPAIN			Sales, Marketing or Distribution
IOT4OIL, S.L.U.	SPAIN			Sales, Marketing or Distribution
INTRANSPORT SERVICE XXI, S.L.U.	SPAIN			Sales, Marketing or Distribution
MITRA MEDULAS, S.L.U.	SPAIN			Manufacturing or Production
MITRA ALFA, S.L.U.	SPAIN			Manufacturing or Production
MITRA BETA, S.L.U.	SPAIN			Manufacturing or Production
MITRA GAMMA, S.L.U.	SPAIN			Manufacturing or Production
CEPSA (RHOURDE EL ROUNI) LTD., EP	ALGERIA			Manufacturing or Production
CEPSA ALGERIE S.L., EP	ALGERIA			Manufacturing or Production
CEPSA QUIMICA BELGIUM, N.V.	BELGIUM			Sales, Marketing or Distribution
CEPSA OLEO E GAS DO BRASIL LTDA.	BRAZIL			Manufacturing or Production
DETEN QUIMICA, S.A.	BRAZIL			Manufacturing or Production
PETRESA PARTICIPAÇÕES, LTDA	BRAZIL			No activity
CEPSA CHIMIE BECANOUR, INC.	CANADA			Manufacturing or Production
CEPSA CHEMICAL PRODUCTS (SHANGHAI) CO., LTD.	CHINA			Sales, Marketing or Distribution
CEPSA CHEMICAL (SHANGHAI), CO., LTD.	CHINA			Manufacturing or Production
CEPSA COLOMBIA, S.A. (COLOMBIA BRANCH)	COLOMBIA			Manufacturing or Production
CEPSA ITALIA, S.P.A.	ITALY			Sales, Marketing or Distribution
CONSORCIO RESSA	ITALY			Sales, Marketing or Distribution
TEIDE RE, S.A.	LUXEMBOURG			Insurance
COASTAL ENERGY KBM SDN BHD	MALAYSIA			Manufacturing or Production
COASTAL ENERGY MALASYA SDN BHD	MALAYSIA			No activity
DETISA COMERCIAL PETROLEO, S.A. DE C.V.	MEXICO			Sales, Marketing or Distribution

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
CEPSA E.P. MEXICO, S DE R.L. DE C.V.	MEXICO			Sales, Marketing or Distribution
PETROSUD, S.A.	MOROCCO			Manufacturing or Production
CEPSA MAGHREB, S.A.	MOROCCO			Manufacturing or Production
CEPSA INTERNATIONAL, B.V.	NETHERLANDS			Group internal finances
CEPSA QUIMICA NETHERLANDS, B.V.	NETHERLANDS			Sales, Marketing or Distribution
CEPSA PERUANA, S.A.C.	PERU			Manufacturing or Production
CEPSA PORTUGUESA PETRÓLEOS, S.A.	PORTUGAL			Sales, Marketing or Distribution
PROPEL PRODUTOS DE PETROLEO, L.D.A.	PORTUGAL			Sales, Marketing or Distribution
CEPSA GAS Y ELECTRICIDAD, S.A. SUCURSAL EN PORTUGAL	PORTUGAL			Sales, Marketing or Distribution
MOPU HOLDINGS (SINGAPORE) PTE LTD	SINGAPORE			Sales, Marketing or Distribution
CEPSA TRADING ASIA PTE LTD (SINGAPORE)	SINGAPORE			Sales, Marketing or Distribution
CEPSA SURINAM, S.L.U. EP	SURINAME			Manufacturing or Production
CEPSA ENERGY COMPANY INTERNATIONAL, SLU (Thailand Branch)	THAILAND			Manufacturing or Production
CEC SERVICES (THAILAND) LTD.	THAILAND			Administration, Management or Support Services
NUCOASTAL (THAILAND) LIMITED	THAILAND			Sales, Marketing or Distribution
CEPSA MARINE FUELS DMCC	UNITED ARAB EMIRATES			Sales, Marketing or Distribution
CEPSA PETROLEUM OPERATIONS MIDDLE EAST LLC	UNITED ARAB EMIRATES			Administration, Management or Support Services
CEPSA EP ABU DHABI, S.L.U (ABU DHABI BRANCH)	UNITED ARAB EMIRATES			Manufacturing or Production
CEPSA UK, LTD.	UNITED KINGDOM			Sales, Marketing or Distribution
CEPSA TRADING AMERICAS, INC	UNITED STATES OF AMERICA			Sales, Marketing or Distribution

COUNTRY BY COUNTRY 2019

Tax Jurisdiction	Income from third parties	Income from related Entity	Total Income	Profit/(loss) before Corporate Tax
Spain	€25,133,152,986	€21,748,276,966	€46,881,429,952	€489,638,307
Algeria	€501,592,162	€37,047,874	€538,640,036	€315,620,588
Belgium	€3,793,162	€28,000	€3,821,162	€1,146,130
Brazil	€4,918,000	€238,857,704	€243,775,704	€28,735,533
Canada	€46,266,667	€104,126,228	€150,392,895	€6,635,761
China	€0	€372,564,943	€372,564,943	€-4,430,173
Colombia	€182,601,687	€0	€182,601,687	€19,968,859
Italy	€1,500,327	€54,594,263	€56,094,590	€3,774,799
Luxembourg	€0	€4,360,329	€4,360,329	€2,986,960
Malaysia	€233,166	€51,885,148	€52,118,314	€17,441,039
Mauritius	€163,565	€0	€163,565	€165,059
Mexico	€0	€57,524	€57,524	€-4,227,593
Morocco	€0	€7,066,401	€7,066,401	€528,392
Netherlands	€3,952,139	€9,205,393	€13,157,532	€-59,340,293
Panamá	€366,637	€202,577,545	€202,944,182	€-822,378
Peru	€27,356	€61,331,499	€61,358,856	€5,232,166
Portugal	€272,048,407	€930,574,178	€1,202,622,585	€9,653,633
Singapore	€33,130,243	€156,604,208	€189,734,451	€-41,693,935
Suriname	€253,051	€0	€253,051	€-209,346
Thailand	€16,870,691	€122,668,880	€139,539,571	€18,855,633
United Arab Emirates	€443,834,761	€138,274,306	€582,109,067	€324,829,814
United Kingdom	€41,189	€121,699,270	€121,740,459	€5,258,725
United States Of America	€0	€14,519	€14,519	€4,798

Corporate Tax paid (special VAT payment scheme)	Accrued income tax. Current year	Declared capital	Undistributed profits	Number of workers	Tangible assets other than cash and cash equivalents
€29,202,508	€5,607,663	€3,336,933,314	€4,753,949,298	8,596	€6,070,446,063
€-131,276,331	€-171,349,917	€0	€0	117	€487,880,910
€-332,756	€-360,230	€65,000	€792,399	8	€100,022
€-4,221,192	€-429,906	€174,134,947	€98,263,425	181	€105,510,129
€0	€-1,399,829	€30,670,471	€21,144,195	63	€61,004,962
€0	€0	€231,337,201	€-194,116,855	117	€347,560,375
€-738,266	€-6,061,844	€0	€0	210	€125,303,208
€-668,878	€-927,966	€6,024,800	€6,405,724	6	€5,464,368
€-74,499	€0	€2,725,000	€36,739,184	0	€0
€-5,293,041	€-9,451,392	€27,521,538	€3,899,755	15	€3,333,944
€-20,004	€-63,817	€2,182	€-2,182	0	€0
€0	€850,865	€8,788,528	€-3,580,930	8	€1,084,343
€0	€-93,869	€6,975,219	€2,391,440	11	€720,615
€-738,957	€-786,983	€184,837,078	€19,305,871	5	€161,960
€0	€-33,757	€0	€-856,135	7	€0
€-11,974,129	€-19,862,089	€183,608,925	€-107,567,915	55	€61,142,037
€-4,966,093	€-5,088,250	€53,541,051	€15,235,904	619	€147,290,257
€-86,106	€-2,718,137	€242,202,667	€-194,139,541	7	€10,966,631
€0	€54,190	€0	€0	0	€0
€-40,778,311	€-8,846,528	€1,752,661	€-32,673,156	45	€13,498,478
€-150,984,400	€-291,459,018	€30,333,676	€-28,143,905	30	€1,622,279,898
€-993,314	€-968,120	€3,337,490	€8,899,529	9	€9,480,589
€10,642	€-634	€8,477	€4,164	1	€0

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
ATLAS, S.A. COMBUSTIBLES Y LUBRIFICANTES	SPAIN			Sales, Marketing or Distribution
CEPSA ENERGY COMPANY INTERNATIONAL, SLU	SPAIN			Manufacturing or Production
CEDIPSA COMPAÑIA ESPAÑOLA DISTRIBUIDORA DE PETROLEOS, S.A.	SPAIN			Sales, Marketing or Distribution
CEPSA (RHOURE EL ROUNI) LIMITED	SPAIN	CAYMAN ISLANDS		Manufacturing or Production
CEPSA ALGERIE, S.L.	SPAIN			Manufacturing or Production
CEPSA AVIACIÓN, S.A.	SPAIN			Sales, Marketing or Distribution
CEPSA BIOENERGÍA SAN ROQUE, S.L.U	SPAIN			Manufacturing or Production
CEPSA BUSINESS SERVICES S.A.	SPAIN			Administration, Management or Support Services
CEPSA CARD, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA COLOMBIA, S.A.	SPAIN			Manufacturing or Production
CEPSA COMERCIAL PETROLEO, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA E.P. ABU DHABI, S.L.U	SPAIN			Manufacturing or Production
CEPSA EP ESPAÑA, S.L.U.	SPAIN			Manufacturing or Production
CEPSA GAS Y ELECTRICIDAD, S.A.U.	SPAIN			Sales, Marketing or Distribution
CEPSA PERU, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA PETRONUBA, S.A.U.	SPAIN			Administration, Management or Support Services
CEPSA QUIMICA CHINA, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA QUIMICA, SA	SPAIN			Sales, Marketing or Distribution
CEPSA, S.A.	SPAIN			Ownership of shares or other instruments representing capital
CEPSA SURINAM, S.L.U	SPAIN			Manufacturing or Production
CEPSA TRADING, S.A.U.	SPAIN			Purchasing or Supplies; Sales, Marketing or Distribution
CMD AEROPUERTOS CANARIOS, S.L.	SPAIN			Sales, Marketing or Distribution
COASTAL ENERGY COMPANY, S.L.U.	SPAIN			Ownership of shares or other instruments representing capital
COASTAL ENERGY COMPANY (KHORAT) LTD	SPAIN			Ownership of shares or other instruments representing capital

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
COMPañIA ESPAÑOLA DE PETROLEOS, SA	SPAIN			Research and Development; Ownership or management of intellectual
				property; Purchases or supplies; Manufacturing or Production; Sales,
				Marketing or Distribution; Administration, Management or Support Services;
				Provision of services to non-associated companies; Group internal finances;
				Insurance; Ownership of shares or other instruments representing capital
ERS SPAIN GESTIÓN CORREDURIA DE SEGUROS, S.L.	SPAIN			Sales, Marketing or Distribution
GENERACIÓN ELECTRICA PENINSULAR, S.A.	SPAIN			Manufacturing or Production
OLEODUCTOS CANARIOS, S.A.	SPAIN			Provision of services to non-associated companies
PETROLEOS DE CANARIAS, SA	SPAIN			Sales, Marketing or Distribution
PLASTIFICANTES DE LUTXANA, S.A.	SPAIN			No activity
RED ESPAÑOLA DE SERVICIOS, S.A.U	SPAIN			Sales, Marketing or Distribution
RESSA SERVICE, S.L.U.	SPAIN			No activity
SERVICIOS ENERGETICOS DE ALTA EFICIENCIA, S.A.U.	SPAIN			Sales, Marketing or Distribution
SPANISH INTOPLANE SERVICES, S.L.U.	SPAIN			Sales, Marketing or Distribution
SURESA RETAMA, S.L.U.	SPAIN			Sales, Marketing or Distribution
FUNDACION CEPESA	SPAIN		Non-profit organizations	Other
CEPSA FINANCE, S.A.U.	SPAIN			Group internal finances
CEPSA TREASURY, S.A.U.	SPAIN			Group internal finances
CEPSA GAS COMERCIALIZADORA, S.A.	SPAIN			Sales, Marketing or Distribution
MITRA DELTA SLU	SPAIN			Sales, Marketing or Distribution
MITRA IOTA SLU	SPAIN			Sales, Marketing or Distribution
MITRA EPSILON SLU	SPAIN			Sales, Marketing or Distribution

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
EMPRESA IBERICA DE GAS LICUADO ESPAÑA, S.L.U	SPAIN			Sales, Marketing or Distribution
MITRA SIGMA SLU	SPAIN			Sales, Marketing or Distribution
MITRA LAMBDA SLU	SPAIN			Sales, Marketing or Distribution
MITRA NU SLU	SPAIN			Sales, Marketing or Distribution
MITRA OMICRON	SPAIN			Sales, Marketing or Distribution
MITRA PI SLU	SPAIN			Sales, Marketing or Distribution
IOT4OIL, S.L.U.	SPAIN			Sales, Marketing or Distribution
INTRANSPORT SERVICE XXI, S.L.U.	SPAIN			Sales, Marketing or Distribution
MITRA MEDULAS, S.L.U.	SPAIN			Manufacturing or Production
MITRA ALFA, S.L.U.	SPAIN			Manufacturing or Production
MITRA BETA, S.L.U.	SPAIN			Manufacturing or Production
MITRA GAMMA, S.L.U.	SPAIN			Manufacturing or Production
CEPSA (RHOURE EL ROUNI) LTD., EP	ALGERIA			Manufacturing or Production
CEPSA ALGERIE S.L., EP	ALGERIA			Manufacturing or Production
CEPSA QUIMICA BELGIUM, N.V.	BELGIUM			Sales, Marketing or Distribution
CEPSA OLEO E GAS DO BRASIL LTDA.	BRAZIL			Manufacturing or Production
DETEN QUIMICA, S.A.	BRAZIL			Manufacturing or Production
PETRESA PARTICIPAÇÕES, LTDA	BRAZIL			No activity
CEPSA CHIMIE BECANCOUR, INC.	CANADA			Manufacturing or Production
CEPSA CHEMICAL PRODUCTS (SHANGHAI) CO., LTD.	CHINA			Sales, Marketing or Distribution
CEPSA CHEMICAL (SHANGHAI), CO., LTD.	CHINA			Manufacturing or Production
CEPSA COLOMBIA, S.A. (COLOMBIA BRANCH)	COLOMBIA			Manufacturing or Production
CEPSA ITALIA, S.P.A.	ITALY			Sales, Marketing or Distribution
CONSORCIO RESSA	ITALY			Sales, Marketing or Distribution
TEIDE RE, S.A.	LUXEMBOURG			Insurance
COASTAL ENERGY KBM SDN BHD	MALAYSIA			Manufacturing or Production

Company	Tax Jurisdiction	Tax Jurisdiction Non-Residence	Additional Information	Activities
COASTAL ENERGY MALAYSIA SDN BHD	MALAYSIA			No activity
DETISA COMERCIAL PETROLEO, S.A. DE C.V.	MEXICO			Sales, Marketing or Distribution
CEPSA E.P. MEXICO, S DE R.L. DE C.V.	MEXICO			Sales, Marketing or Distribution
PETROSUD, S.A.	MOROCCO			Manufacturing or Production
CEPSA MAGHREB, S.A.	MOROCCO			Manufacturing or Production
CEPSA INTERNATIONAL, B.V.	NETHERLANDS			Group internal finances
CEPSA QUIMICA NETHERLANDS, B.V.	NETHERLANDS			Sales, Marketing or Distribution
CEPSA PERUANA, S.A.C.	PERU			Manufacturing or Production
CEPSA PORTUGUESA PETRÓLEOS, S.A.	PORTUGAL			Sales, Marketing or Distribution
PROPEL PRODUTOS DE PETROLEO, L.D.A.	PORTUGAL			Sales, Marketing or Distribution
CEPSA GAS Y ELECTRICIDAD, S.A. SUCURSAL EN PORTUGAL	PORTUGAL			Sales, Marketing or Distribution
MOPU HOLDINGS (SINGAPORE) PTE LTD	SINGAPORE			Sales, Marketing or Distribution
CEPSA TRADING ASIA PTE LTD (SINGAPORE)	SINGAPORE			Sales, Marketing or Distribution
CEPSA SURINAM, S.L.U. EP	SURINAME			Manufacturing or Production
CEPSA ENERGY COMPANY INTERNATIONAL, SLU (Thailand Branch)	THAILAND			Manufacturing or Production
CEC SERVICES (THAILAND) LTD.	THAILAND			Administration, Management or Support Services
NUCOASTAL (THAILAND) LIMITED	THAILAND			Sales, Marketing or Distribution
CEPSA MARINE FUELS DMCC	UNITED ARAB EMIRATES			Sales, Marketing or Distribution

4.12 ETHICAL MANAGEMENT

4.12.1 Communications to employees

NUMBER OF EMPLOYEES WHO HAVE RECEIVED COMMUNICATIONS ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2021

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	109	-	-	2	-	11
Heads of department	566	14	-	36	-	616
Senior technicians	1,722	46	-	121	-	1,889
Intermediate technicians	1,023	68	-	58	-	1,149
Specialists	2,416	38	-	119	-	2,573
Administrative staff	54	5	-	6	-	65
Assistants	25	1	-	16	-	42
Total	5,915	172	0	358	0	6,445

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.



NUMBER OF EMPLOYEES WHO HAVE RECEIVED COMMUNICATIONS ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2020

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	88	2	-	3	2	95
Heads of department	504	18	39	45	39	645
Senior technicians	1,620	50	65	127	46	1,908
Intermediate technicians	1,098	74	19	61	51	1,303
Specialists	2,480	41	8	122	36	2,687
Administrative staff	64	10	3	7	14	98
Assistants	25	1	-	17	17	60
Total	5,879	196	134	382	205	6,796

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria, Morocco.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.

NUMBER OF EMPLOYEES WHO HAVE RECEIVED COMMUNICATIONS ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2019

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	85	1	0	4	3	93
Heads of department	512	20	32	50	33	647
Senior technicians	247	12	0	14	3	276
Intermediate technicians	103	6	0	5	0	114
Specialists	151	8	1	7	2	169
Administrative staff	13	-	-	1	1	15
Assistants	-	-	-	-	-	0
Total	1,111	47	33	81	42	1,314

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria, Morocco.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.

4.12.2 Training

Training initiative/ action	Target group (1)	No. of people attending	Aim of the initiative/action	Description of training initiative/ action activities
Criminal risk prevention	Executives, department heads and staff covered by collective agreement	438	Raise awareness of the criminal risks associated with the post	On-line training and final evaluation test
Unleash your energy	Employees with subordinates	Employees with subordinates	Know how to act when an infringement in your team is reported.	On-line presentation with practical exercises
Supplier Ethics and Compliance Channel	Suppliers	405 people from 344 companies	Circulate the 'Supplier Code of Ethics and Conduct'	Webinar on the supplier Code of Ethics and Conduct
Ethics and Compliance Channel	Employees	357	Circulate the 'Code of Ethics and Conduct'	On-line training and final evaluation test
Onboarding executives	Executives	2	Circulate the 'Code of Ethics and Conduct' and the main compliance programmes	Onboarding Ethics and Compliance to new executives

NUMBER OF EMPLOYEES WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2021

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	-	-	-	-	-	0
Heads of department	142	10	1	-	-	153
Senior technicians	185	7	-	-	-	192
Intermediate technicians	87	37	-	-	-	124
Specialists	16	2	-	-	-	18
Administrative staff	1	-	-	-	-	1
Assistants	-	-	-	-	-	0
Total	431	56	1	0	0	488

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.

NUMBER OF EMPLOYEES WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2020

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	73	1	-	1	1	76
Heads of department	130	1	2	15	-	148
Senior technicians	441	-	8	17	-	466
Intermediate technicians	10	-	-	-	-	10
Specialists	5	-	-	-	-	5
Administrative staff	-	-	-	-	-	0
Assistants	-	-	-	-	-	0
Total	659	2	10	33	1	705

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria, Morocco.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.

NUMBER OF EMPLOYEES WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES IN 2019

	Spain	Rest of Europe ¹	Africa ²	América ³	Asia ⁴	Total
Managers	1	0	-	0	1	2
Heads of department	181	0	-	0	-	181
Senior technicians	459	2	-	1	-	462
Intermediate technicians	78	-	-	-	-	78
Specialists	45	-	-	-	-	45
Administrative staff	5	-	-	-	-	5
Assistants	-	-	-	-	-	0
Total	769	2	0	1	1	773

⁽¹⁾ Belgium, Italy, the Netherlands, Portugal and the United Kingdom.

⁽²⁾ Algeria, Morocco.

⁽³⁾ Brazil, Canada, Colombia, United States, Mexico, Peru.

⁽⁴⁾ China, United Arab Emirates, Malaysia, Singapore and Thailand.

EMPLOYEES TRAINED IN ETHICAL AND CONDUCT ISSUES

	2021	2020	2019
Employees trained in ethical and conduct issues	357	1,301	1,125
Employees trained in crime prevention	438	802	1,099

4.12.3 Requests for advice and infringements

TYPES OF REQUEST FOR ADVICE ON ETHICS IN 2021

Health and safety in the workplace	2
Commitment to respect for human rights	2
Harassment and discrimination	1
Aspects of the employment relationship	2
Inappropriate conduct	1
Conflicts of interest	4
Control, governance and compliance in our operations	2
Competition advocacy	1
Relations with partners, suppliers, customers and other stakeholders	113
Gifts, hospitality, events and the fight against corruption	1
Processing of confidential information and personal data	2
Other concerns	3
<i>Total</i>	<i>134</i>

TYPES OF REQUEST FOR ADVICE ON ETHICS IN 2020

Aspects of the employment relationship	3
Measures to counter money laundering and terrorist financing	1
Conflicts of interest	3
Control, governance and compliance in our operations	4
Relations with partners, suppliers, customers and other stakeholders	4
Gifts, hospitality, events and the fight against corruption	3
Processing of confidential information and personal data	1
Other concerns	6
<i>Total</i>	<i>25</i>

TYPES OF REQUEST FOR ADVICE ON ETHICS IN 2019*

Health and safety in the workplace	2
Commitment to respect for human and workers' rights	4
Conflicts of interest	3
Control, governance and compliance in our operations	1
Insider dealing and market manipulation	1
Relations with partners, suppliers, customers and other stakeholders	11
Lobbying	1
Gifts, hospitality, events and the fight against corruption	7
Processing of confidential information and personal data	5
Media and information transparency	1
<i>Total</i>	<i>36</i>

* Variations are not comparable due to the new classification by type.

COMPLAINTS OF BREACHES OF THE CODE OF ETHICS IN 2021

Health and safety in the workplace	51
Commitment to respect for human rights	1
Harassment and discrimination	12
Aspects of the employment relationship	10
Inappropriate conduct	10
Conflicts of interest	1
Control, governance and compliance in our operations	1
Relations with partners, suppliers, customers and other stakeholders	11
Environmental protection	1
Gifts, hospitality, events and the fight against corruption	2
Use and protection of our assets and properties	11
Processing of confidential information and personal data	1
Other concerns	1
<i>Total</i>	<i>113</i>

COMPLAINTS OF BREACHES OF THE CODE OF ETHICS IN 2020

Health and safety in the workplace	48
Harassment and discrimination	4
Aspects of the employment relationship	9
Inappropriate conduct	20
Control, governance and compliance in our operations	1
Relations with partners, suppliers, customers and other stakeholders	7
Use and protection of our assets and properties	18
Processing of confidential information and personal data	2
<i>Total</i>	<i>109</i>

COMPLAINTS OF BREACHES OF THE CODE OF ETHICS IN EN 2019*

Health and safety in the workplace	34
Commitment to respect for human and workers' rights	54
Measures to counter money laundering and terrorist financing	1
Conflicts of interest	3
Control, governance and compliance in our operations	1
Environmental protection	1
Relations with partners, suppliers, customers and other stakeholders	7
Use and protection of our assets and properties	31
Processing of confidential information and personal data	1
Intellectual, Industrial Property and Trade Secrets	1
<i>Total</i>	<i>134</i>

* Variations are not comparable due to the new classification by type.

RESULTS OF THE COMPLAINTS RECEIVED ON BREACHES OF THE CODE OF ETHICS IN 2021, 2020 Y 2019

	2021	2020	2019
Not corroborated	28	20	22
Activation of disciplinary measures	67	77	109
Activation of corrective measures	19	8	9

RESULTS OF THE COMPLAINTS RECEIVED ON BREACHES OF THE CODE OF ETHICS IN 2021

Not corroborated		28
Activation of disciplinary measures	Lay-offs	14
	Suspension of employment and pay	25
	Written warning	28
	Communication action	9
Activation of corrective measures	Training action	3
	Control measure	5
	Work post transfer	1
	Other	1

ACTIONS EVALUATED IN RELATION TO CORRUPTION RISKS IN 2021, 2020 Y 2019

	2021	2020	2019
Number of internal audit projects with an anti-corruption and anti-bribery component	10	6	8
Number of Crime Prevention Model (CPM) controls that mitigate the risk of corruption within CPM controls	189	195	207
Number of ICFR controls aimed at mitigating fraud risk within ICFR controls	457	409	408
Number of audit projects on non-operated assets	6	4	5
Number of reviews of investment agreements and significant anti-corruption contracts (Know Your Third Party/KYTP analysis)	17	4	8

4.12.4 Conflict of interest

The 'Policy for the Prevention of Bribery, Corruption and Conflicts of Interest' and the 'Policy on Related-Party Transactions and Intragroup Transactions', updated in 2021, lay down the procedures for preventing and/or addressing conflicts of interest in which our shareholders, Board members, executives and other employees may find themselves in their relations with the company, as well as with respect to conflicts that may arise with customers, suppliers and other stakeholders.

In the event of a conflict of interest, both policies establish the duty to refrain from deliberations and decision-making, and from accessing confidential information, as well as the duty of transparency and proactive disclosure of conflicts of interest, and the duty to cooperate in resolving them.

The Ethics and Compliance Office requests an annual statement on conflicts of interest from executives, department heads and units considered to represent a risk.

In 2021, all identified conflicts of interest have been resolved or measures have been taken to mitigate the potential risk of fraud, in coordination with the Human Resources and Organisation Department.

APPENDIX 5 FINANCIAL ADDITIONAL INFORMATION

5.1 PRINCIPAL FINANCIAL AND OPERATIONAL INDICATORS



Million €

Net Income by country¹	2021	2020
Spain	179	(697)
Argelia	108	(78)
Belgium	1	0
Brazil	55	25
Canada	32	15
China	15	28
Colombia	112	(82)
U.A.E.	35	(95)
U.S.A.	(0)	(0)
Indonesia	25	(4)
Luxembourg	3	0
Italy	4	3
Mexico	(3)	(2)
Morocco	5	3
Malaysia	(0)	(6)
Mauritius	0	0
Nigeria	6	4
Netherlands	1	3
Panama	0	0
Peru	15	(42)
Portugal	23	6
United Kingdom	12	6
Singapore	33	3
Suriname	(3)	3
Thailand	4	(11)
Total	661	(919)

¹ Figures calculated under IFRS (International Financial Reporting Standard).

VALUE CREATION

Our strategy mainly aims to maximise profitability and value creation, maintaining our financial strength and promoting sustained growth over time.

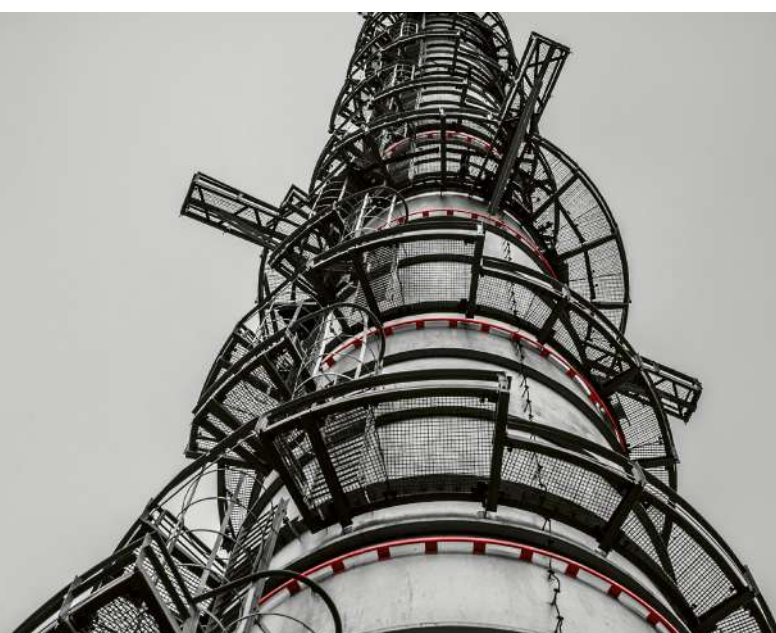
Million €

Direct economic value generated and distributed	2021	2020
<i>Economic value generated</i>	24,870	15,973
Revenue ¹	24,532	15,760
Other operating income	48	49
Financial income	204	138
Share of result of associates	51	11
Income from asset disposals	35	15
<i>Economic value distributed</i>	24,280	15,127
Suppliers ²	20,207	11,922
Providers of capital (shareholders and financial entities)	639	307
Public administration (taxes) ³	2,819	2,227
Employees	615	671
Social programs and initiatives investment	0	0
<i>Economic value retained</i>	590	846

¹ Includes excise duties.

² Includes the purchase of crude oil, raw materials and energy products.

³ Includes excise duties, income tax and taxes other than income tax.



5.2 ANALYSIS OF CONSOLIDATED RESULTS



REFINING

KEY INDICATORS	2021	2020	2019
Crude oil distilled (million barrels)	145	138.4	156.9
Natural gas sales (GWh)	34,374	30,918	33,176
Electricity output (GWh)	1,935	2,799	3,587
Trading (million barrels)	45.7	24.6	18.5
Period investments (million €)	168	279	469

SASB EM-RM.000B

OPERATING CAPACITY IN REFINING	
Operating capacity volume	402
Volume of capacity which is not in operation and not under active repair, but can be brought into operation within 30 days	105
Volume of capacity which is not in operation but is under active repair that can be completed within 90 days.	0
<i>Total</i>	<i>507</i>

DISTRIBUTION AND MARKETING

KEY INDICATORS	2021	2020	2019
Product sales (million of tons)	16.16	14.8	20.7
Fuels and motor fuels (million of tons)	9.3	8.5	10.6
Bunker sales (million of tons)	3.7	3.5	5.3
Jet fuels (million of tons)	1.4	1.3	3.2
Liquefied petroleum gases (thousands of tonnes)	272	266	290
Others (million of tons)	1.4	1.5	1.7
Investments for the period (million of euros)	82	105	107

CHEMICALS

Million €

KEY INDICATORS	2021	2020	2019
Investments for the period	61	87	109

SASB RT-CH-000A

OUTPUT BY REPORTABLE SEGMENT	
Segment	Output (kt)
LAB PUENTE MAYORGA	209,269
LABSA PUENTE MAYORGA	35,688
PARAFFIN PUENTE MAYORGA	382,489
LAB BECANCOUR	151,738
LAB DETEN	210,594
LABSA DETEN	79,830
PHENOL PALOS	527,765
ACETONE PALOS	330,237
CUMENO PALOS	763,503
AMS PALOS	17,362
PHENOL SHANGHAI	299,906
ACETONE SHANGHAI	188,172
CUMENO SHANGHAI	421,745
SOLVENTS PUENTE MAYORGA	129,320

SASB RT-CH-410a.1

REVENUE FROM PRODUCTS DESIGNED FOR RESOURCE EFFICIENCY	2021
Cepsa Chemical Shanghai	€639,583.45
Cepsa Chimie Bécancour, INC	€200,425.98
Cepsa Italia	€65,202.74
Cepsa Química	€2,162,871.46
Cepsa UK	€133,092.93
Detén Química	€301,847.61
Cepsa Química Belgium	€0.00
Cepsa Química Netherland	€0.00
<i>Total</i>	<i>€3,503,024.16</i>

EXPLORATION AND PRODUCTION

KEY INDICATORS**	2021	2020	2019
Net entitlement production (thousands of barrels per day)*	61.28	61.94	72.14
Crude oil sales (million barrels)	18.74	19.18	20.79
Investments for the period (million of euros)	141	179	212

*Net entitlement production is reported without ADOC. Previous years have been adjusted to ensure comparability.

**Disaggregated data are not reported for legal reasons relating to partners.



EM-EP-201a.2

PERCENTAGE OF PROVEN AND PROBABLE RESERVES NEAR INDIGENOUS POPULATIONS

Location	Proven reserves (%)	Probable reserves (%)
Colombia (Caracas)	2.6%	1.2%

ESTIMATED NET HYDROCARBON RESERVES (MMBOE)

Fuel type	Proven reserves 2021	Proven and probable reserves 2021
All liquid fossil fuels (i.e. crude oil, condensate, natural gas liquids, oil sands, etc.)	250.5	364.0
Natural gas*	2.7	3.8
<i>Total hydrocarbon reserves</i>	<i>253.2</i>	<i>367.8</i>

* Conversion coefficient: 1boe = 6000 scf.

NET PRODUCTION VOLUME AND PROJECTIONS (MMBOE)¹

Fuel type	Production volume 2021	2025 projections
All liquid fossil fuels (i.e. crude oil, condensate, natural gas liquids, oil sands, etc.)	21.6	25.71
Natural gas*	0.8	0.49
<i>Total hydrocarbon reserves</i>	<i>22.4</i>	<i>26.20</i>

* Conversion coefficient: 1boe = 6000 scf.

¹ The percentage of total hydrocarbon production coming from oil sand (including extra-heavy bitumen & synthetic crude), and tight oil & gas and shale oil & gas (developed by hydraulic fracturing), is 0%. The percentage of revenues coming from these sources is also 0%.



SASB EM-EP-210b.2

DELAYS DUE TO NON-TECHNICAL FACTORS	2021
Aggregate duration (days)	35
<i>Total number of delays</i>	<i>1</i>

SASB EM-EP-000A

OUTPUT	2021
Oil	21.6
Natural gas	0.8
Synthetic oil	0
Synthetic gas	0

RESERVES

Location	Nature of reserve	Type of environmental operation
UAE	Crude oil	Offshore
Algeria	Crude oil/Gas	Offshore
Colombia	Crude oil	Offshore
Spain	Crude oil	Offshore
Peru	Crude oil	Onshore
SEA	Crude oil/Gas	Offshore/Onshore



5.3 GLOSSARY



Alternative Performance measure	Unit	Relevance of use
EBITDA	Millions €	Measure of operational profitability deducting the interests, taxes, provisions and amortizations.
Current cost of Supplies (CCS)	Millions €	The Current Cost of Supply (CCS) is commonly used in this industry to disclose the Downstream businesses which must work with huge inventories subject to continual price fluctuations.
Non-recurring items	Millions €	It allows the results disclosure excluding those atypical expenses/income not directly related to the activity (non-recurring).
Net debt	Millions €	It measures the company's level of debt.
Capital employed	Millions €	It measures own and external capital invested in the company.
Leverage ratio	%	It measures the Group's indebtedness proportion in relation to its profitability, usually with its operating profitability.
Free cash flow	Millions €	It is used for evaluating the funds available for paying dividends, and debt service payments.
Net operating profit	Millions €	Used for ROACE's calculation.
ROACE	%	Measure used to evaluate the earning capacity of the investments in operation.
Gearing	%	Measure of the weighing of the external resources in the Group financing.

APPENDIX 6 EU TAXONOMY

The EU Taxonomy Regulation is part of the European Commission's action plan to redirect capital flows towards the Sustainable Development Goals and a carbon neutral economy by 2050, in order to create a more sustainable economy framework.



It represents an important step towards achieving carbon neutrality by 2050 in line with EU goals as the Taxonomy is a classification system for environmentally sustainable economic activities.

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts (Annex I and II of the Commission Delegated regulation (EU) 2021/2139 of 4 June 2021, hereinafter "Climate Delegated Act") supplementing the Taxonomy Regulation irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

Taxonomy-non-eligible economic activity means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

Taxonomy-aligned economic activity means an economic activity that complies with all of the following requirements:

- The economic activity contributes substantially to one or more of the environmental objectives.
- It does not significantly harm any of the environmental objectives.
- It is carried out in compliance with the minimum safeguards..
- It complies with technical screening criteria in the delegated acts supplementing the Taxonomy Regulation.

As a central part of our strategy, we are moving forward to turn into a key actor on the energy transition, as well as diversifying our products and services developing new business lines. Therefore, the EU Taxonomy provides us a common framework to measure our transformation and our capacity to substantially contribute to accomplish environmental objectives, not only in Europe but also in all countries where we operate.

TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES

Whilst reporting on EU Taxonomy data is not mandatory for Cepsa according to Taxonomy Regulation EU 2020/852 and Delegated Regulation (EU) 2021/2178, we have examined the relevant Taxonomy-eligible economic activities, in conformity with Annex I and II of the "Climate Delegated Act", and we have pre-identified the activities that could be eligible for Cepsa. As part of our commitment to transparency, we have consulted with external experts, revised eligibility criteria with our auditor and set up a multidisciplinary team in order to report in 2022 Integrated Management Report.

Cepsa activities “eligible” according to Taxonomy:

Manufacture of hydrogen

Manufacture of organic basic chemicals

Electricity generation using solar photovoltaic technology

Electricity generation from wind power

Manufacture of biogas and biofuels for use in transport and of bioliquids

Infrastructure enabling low-carbon road transport and public transport

Installation, maintenance and repair of renewable energy technologies

Close to market research, development and innovation



APPENDIX 7 GRI INDICATORS INDEX



Field	Indicator	Description	Chapter	Section	Direct Response
ORGANIZATION PROFILE	102-1	Name of the organization	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
ORGANIZATION PROFILE	102-2	Activities, brands, products, and services	2. A FUTURE-PROOF COMPANY	2.1 VALUE CHAIN 2.2 OUR ACTIVITIES	
ORGANIZATION PROFILE	102-3	Location of the headquarters	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
ORGANIZATION PROFILE	102-4	Location of operations	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
ORGANIZATION PROFILE	102-5	Ownership and legal form			Cepsa (Compañía Española de Petróleos, S.A.) is a public limited company.
ORGANIZATION PROFILE	102-6	Markets served	1. ACCELERATING OUR TRANSFORMATION 2. A FUTURE-PROOF COMPANY	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION 2.2. OUR ACTIVITIES 2.3. OUR GLOBAL PRESENCE	

Field	Indicator	Description	Chapter	Section	Direct Response
ORGANIZATION PROFILE	102-7	Scale of the organization	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
				2.8 A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
			5. SOLID ECONOMIC AND OPERATIONAL PERFORMANCE	5.1 MAIN FINANCIAL AND OPERATIONAL INDICATORS	
ORGANIZATION PROFILE	102-8	Information about employees and other workers	2. A FUTURE-PROOF COMPANY	2.8 A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	APPENDIX 4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
ORGANIZATION PROFILE	102-9	Supply Chain	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
ORGANIZATION PROFILE	102-10	Significant changes to the organization and its supply chain	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	For the purposes of this report, the scope of procurement is limited to the following locations where there are significant Cepsa operations: Spain, Portugal, Colombia, Peru, Brazil, Thailand, Singapore, Malaysia, China and Canada. In addition, as of early May 2021, the activity of the purchasing unit for the Thailand assets was discontinued following demobilisation and the end of production in that location.
				It should be noted that the Gas activity was transferred to the new company Gasib as from and is not reported by the purchasing unit (the Gas activity is included up to that date).	

Field	Indicator	Description	Chapter	Section	Direct Response
ORGANIZATION PROFILE	102-11	Precautionary principle or approach	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.1. Management and best techniques	
ORGANIZATION PROFILE	102-12	External initiatives	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. 2.6.1. Institutional relations	Year comparison in APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION
ORGANIZATION PROFILE	102-13	Membership of associations	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. 2.6.1. Institutional relations	
STRATEGY	102-14	Statement from senior executives in charge of decision-making	LETTER FROM THE CHAIRMAN		
			LETTER FROM THE CEO		
STRATEGY	102-15	Main impacts, risks, and opportunities	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
			2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.3. Risk management	
			3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.3 Climate change risks and opportunities	
			APPENDIX 2 THE COMPANY'S MAIN RISK		
ETHICS AND INTEGRITY	102-16	Values, principles, standards, and rules of conduct	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8 ETHICAL MANAGEMENT	

Field	Indicator	Description	Chapter	Section	Direct Response
ETHICS AND INTEGRITY	102-17	Counselling mechanisms and ethical concerns	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8 ETHICAL MANAGEMENT.	User satisfaction with the Ethics and Compliance Channel is not currently being measured, but an ethics survey has been conducted. See further details in point 3.8.1.
GOVERNANCE	102-18	Governance structure	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1. Good governance	
GOVERNANCE	102-19	Delegation of authority	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1.1. Governing bodies	
GOVERNANCE	102-20	Executive-level responsibility for economic, environmental, and social matters.	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-21	Consulting stakeholders on economic, environmental, and social matters	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS.	
GOVERNANCE	102-22	Composition of the highest management body and its committees	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1.2. Composition of the board of directors and board committees	
GOVERNANCE	102-23	Chair of the highest management body	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1.2. Composition of the board of directors and board committees	

Field	Indicator	Description	Chapter	Section	Direct Response
GOVERNANCE	102-24	Nominating and selecting the highest management body	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1.2. Composition of the board of directors and board committees	
GOVERNANCE	102-25	Conflicts of interest	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system. Combating corruption, bribery, and money laundering	
GOVERNANCE	102-26	Role of the highest management body in the setting of goals, values, and strategy	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-27	Collective knowledge of highest governance body	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-28	Assessment of the performance of the highest management body	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-29	Identifying and managing economic, environmental, and social impacts	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-30	Effectiveness of risk management processes	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.3. Risk management	
			APPENDIX 2 THE COMPANY'S MAIN RISK	THE COMPANY'S MAIN RISK	
GOVERNANCE	102-31	Review of economic, environmental, and social issues	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-32	The highest management body's role in sustainability reporting	APPENDIX 1 ABOUT THIS REPORT	ABOUT THIS REPORT	

Field	Indicator	Description	Chapter	Section	Direct Response
GOVERNANCE	102-33	Reporting of critical concerns to the highest management body	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-34	Nature and total number of critical concerns	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.2. Governance and ESG management	
GOVERNANCE	102-35	Remuneration policies	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
GOVERNANCE	102-36	Processes for establishing the amount of remuneration	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Board of Directors and senior management remuneration	
GOVERNANCE	102-37	Stakeholder engagement in remuneration	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
GOVERNANCE	102-38	Total annual compensation ratio	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
GOVERNANCE	102-39	Percentage increase in total annual compensation	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
PARTICIPATION OF STAKEHOLDERS	102-40	List of stakeholders	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	
PARTICIPATION OF STAKEHOLDERS	102-41	Collective bargaining agreements	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT.	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.9. Labour relations	
PARTICIPATION OF STAKEHOLDERS	102-42	Identification and selection of stakeholders	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	

Field	Indicator	Description	Chapter	Section	Direct Response
PARTICIPATION OF STAKEHOLDERS	102-43	Approaches to stakeholder engagement	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	
PARTICIPATION OF STAKEHOLDERS	102-44	Key topics and concerns raised	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	
REPORTING PRACTICE	102-45	Entities included in the consolidated financial statements			See Consolidated Financial Statements and Consolidated Directors' Report for the year ended 31 December 2021.
REPORTING PRACTICE	102-46	Defining the contents of reports and the coverage of matters	APPENDIX 1. ABOUT THIS REPORT	2.6. STAKEHOLDERS	
REPORTING PRACTICE	102-47	List of material topics	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	
REPORTING PRACTICE	102-48	Restatements of information			Restatements of information are indicated throughout the report.
REPORTING PRACTICE	102-49	Changes in reporting	APPENDIX 1. ABOUT THIS REPORT		
REPORTING PRACTICE	102-50	Reporting period	APPENDIX 1. ABOUT THIS REPORT		
REPORTING PRACTICE	102-51	Date of last report			2020
REPORTING PRACTICE	102-52	Date of last report			Annual
REPORTING PRACTICE	102-53	Contact point for questions about the report	APPENDIX 1. ABOUT THIS REPORT		

Field	Indicator	Description	Chapter	Section	Direct Response
REPORTING PRACTICE	102-54	Statement of preparation of the report in accordance with the GRI Standards	APPENDIX 1. ABOUT THIS REPORT		
REPORTING PRACTICE	102-55	GRI Content Index	APPENDIX 7 GRI INDICATORS INDEX		
REPORTING PRACTICE	102-56	External verification			Independent Limited Assurance Report on the Consolidated Non-Financial Information Statement of Compañía Española de Petróleos, S.A. and subsidiaries for the year 2021.
FINANCIAL PERFORMANCE	Management approach (103-1, 103-2 and 103-3)		5. SOLID ECONOMIC AND OPERATIONAL PERFORMANCE		
FINANCIAL PERFORMANCE	201-1	Direct economic value generated and distributed	APPENDIX 5 FINANCIAL ADDITIONAL INFORMATION	5.1. Main financial and operational indicators	
FINANCIAL PERFORMANCE	201-2	Direct economic value generated and distributed	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.3. Climate change risks and opportunities	
FINANCIAL PERFORMANCE	201-3	Obligations under the defined benefit plan and other retirement plans	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
FINANCIAL PERFORMANCE	201-3	Obligations under the defined benefit plan and other retirement plans	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
FINANCIAL PERFORMANCE	201-4	Financial assistance from the government	APPENDIX 5 FINANCIAL ADDITIONAL INFORMATION	5.1. Main financial and operational indicators	The financial assistance received from public bodies in 2021, 2020 and 2019 was: 25.3, 23.3 y 21.2 million respectively.

Field	Indicator	Description	Chapter	Section	Direct Response
MARKET PRESENCE	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
MARKET PRESENCE	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
MARKET PRESENCE	202-2	Proportion of senior executives hired from the local community	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1 Description of the workforce	
INDIRECT ECONOMIC IMPACTS	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
INDIRECT ECONOMIC IMPACTS	203-1	Investments in infrastructure and supported services	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 4.10.1. Commitment and social management	
INDIRECT ECONOMIC IMPACTS	203-2	Significant indirect economic impacts	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
			3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 4.10.1. Commitment and social management	

Field	Indicator	Description	Chapter	Section	Direct Response
PROCUREMENT PRACTICES	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
PROCUREMENT PRACTICES	204-1	Proportion of spending on local suppliers	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.9. SUSTAINABLE SUPPLY CHAIN 4.9.2. Geographic distribution of the supply chain	
ANTI-CORRUPTION	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system. Combating corruption, bribery, and money laundering	
ANTI-CORRUPTION	205-1	Operations assessed for corruption-related risks	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12. ETHICAL MANAGEMENT. 4.12.3. Requests for advice and infringements	
ANTI-CORRUPTION	205-2	Communication and training about anti-corruption policies and procedures	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12 ETHICAL MANAGEMENT. 4.12.1. Communications to employees	
ANTI-CORRUPTION	205-3	Verified cases of corruption and measures taken	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system. Combating corruption, bribery, and money laundering	
UNFAIR COMPETITION PRACTICES	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system. Combating corruption, bribery, and money laundering	
UNFAIR COMPETITION PRACTICES	206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices			Not applicable as Cepsa is not involved in any legal action for anti-competitive behavior.

Field	Indicator	Description	Chapter	Section	Direct Response
TAXATION	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.1. Management approach	
TAXATION	207-1	Fiscal approach	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.1. Management approach	
TAXATION	207-2	Fiscal governance, risk management and control	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.1. Management approach	
TAXATION	207-3	Stakeholder engagement and management of concerns	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.2. Good tax practices and cooperation with public administrations	
TAXATION	207-4	Presentation of the report by country	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.11. TRANSPARENCY AND FISCAL RESPONSIBILITY. Country by country report	
MATERIALS	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
MATERIALS	301-1	Materials used by weight or volume	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	

Field	Indicator	Description	Chapter	Section	Direct Response
MATERIALS	301-2	Recycled materials	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
ENERGY	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1. Management approach	
ENERGY	302-1	Energy consumption within the organization	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
ENERGY	302-2	Energy consumption outside the organization	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
ENERGY	302-3	Energy intensity	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
ENERGY	302-4	Reduction of energy consumption	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.4. STRATEGY. More efficient and sustainable energy	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
ENERGY	302-5	Reduction in product and service energy requirements	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.4. Strategy. Transformation and low-carbon products	
WATER	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.1. Management and best techniques	

Field	Indicator	Description	Chapter	Section	Direct Response
WATER	303-1	Interaction with water as a shared resource	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	
WATER	303-2	Management of water discharge-related impacts	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	
WATER	303-3	Water extraction	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	
WATER	303-4	Water discharges	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	

Field	Indicator	Description	Chapter	Section	Direct Response
WATER	303-5	Water consumption	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRON- MENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
			APPENDIX 4 SUSTAINABIL- TY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRON- MENTAL IMPACT 4.6.3. Water mana- gement	
BIODIVERSITY	Management approach (103- 1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	9.6. REDUCING OUR ENVIRON- MENTAL IMPACT. 9.6.6 Protecting biodiversity	
BIODIVERSITY	304-1	Operational sites owned, leased, managed in, or ad- jacent to, protected areas and areas of high biodiver- sity value outside protected areas	APPENDIX 4 SUSTAINABIL- TY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRON- MENTAL IMPACT 4.6.5. Protecting biodiversity	
BIODIVERSITY	304-2	Significant impact of activities, pro- ducts and services on biodiversity	APPENDIX 4 SUSTAINABIL- TY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRON- MENTAL IMPACT 4.6.5. Protecting biodiversity	
BIODIVERSITY	304-3	Protected or resto- red habitats	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRON- MENTAL IMPACT. 3.2.4 Protecting biodiversity	
			APPENDIX 4 SUSTAINABIL- TY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRON- MENTAL IMPACT 4.6.5. Protecting biodiversity	
EMISSIONS	Management approach (103- 1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANA- GEMENT. 3.1.1. Management approach	
EMISSIONS	305-1	Direct GHG emis- sions (Scope 1)	APPENDIX 4 SUSTAINABIL- TY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANA- GEMENT 4.5.1. Emissions	

Field	Indicator	Description	Chapter	Section	Direct Response
EMISSIONS	305-2	Indirect GHG emissions in the generation of energy (scope 2)	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
EMISSIONS	305-3	Indirect GHG emissions in the generation of energy (scope 2)	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
EMISSIONS	305-4	Intensity of GHG emissions	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
EMISSIONS	305-5	Reduction of GHG emissions	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. More efficient and sustainable energy	
				3.1. CLIMATE CHANGE MANAGEMENT. Transformation and low-carbon products	
EMISSIONS	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Atmospheric emissions	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.2. Non GHG emissions	

Field	Indicator	Description	Chapter	Section	Direct Response
EFFLUENTS AND WASTE	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.1. Management and best techniques	
EFFLUENTS AND WASTE	306-1	Waste generation and significant waste-related impacts	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
EFFLUENTS AND WASTE	306-2	Waste by type and disposal method	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
EFFLUENTS AND WASTE			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4. Circular economy	
EFFLUENTS AND WASTE	306-3	Significant spills	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
EFFLUENTS AND WASTE			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4. Circular economy	
EFFLUENTS AND WASTE	306-4	Hazardous waste transport	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
EFFLUENTS AND WASTE			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4. Circular economy	

Field	Indicator	Description	Chapter	Section	Direct Response
EFFLUENTS AND WASTE	306-5	Waste directed to disposal	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.4. Circular economy	
ENVIRONMENTAL COMPLIANCE	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system	
ENVIRONMENTAL COMPLIANCE	307-1	Non-compliance with environmental legislation and regulations			Cepsa has not been involved in any legal process that has ended for non-compliance with environmental legislation and regulations.
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.3. Supplier relations	
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	308-1	New suppliers that have got through the assessment and selection filters in accordance with environmental criteria			Of the suppliers that have entered into a new business relationship with Cepsa during the reporting period, most have passed the selection filters according to environmental and social criteria. In 2021, there were 258 new suppliers, 101 of whom work with the procurement area. Of these, 200 (93 relating to procurement) passed the selection filters. In 2020, there were 330 suppliers (120 of whom worked with the procurement area) and 266 passed the selection filters (112 relating to procurement).

Field	Indicator	Description	Chapter	Section	Direct Response
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	308-2	Negative environmental impacts on the supply chain, and steps taken			In any event, in 2021 and 2020 no supplier was identified in which significant negative environmental impacts have been detected.
EMPLOYMENT	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Management model	
EMPLOYMENT	401-1	New hires and staff turnover	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1.1. Integrated talent management model	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.2. Management model	
EMPLOYMENT	401-2	Benefits for full-time employees that are not available to part-time or temporary employees	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1.1. Integrated talent management model	
EMPLOYMENT	401-3	Parental leave	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.2. Management model	
LABOUR RELATIONS	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.4. Labour relations	
LABOUR RELATIONS	402-1	Minimum notice periods for operational changes			Cepsa complies with the minimum notice agreements in relation to possible operational changes provided for in the collective bargaining agreements or, in default thereof, in the laws and regulations applicable in each country.

Field	Indicator	Description	Chapter	Section	Direct Response
OCCUPATIONAL HEALTH AND SAFETY	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people	
OCCUPATIONAL HEALTH AND SAFETY	403-1	Occupational health and safety management system	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	The number of employees and workers (non-employees) whose work or workplace is controlled by the organisation and covered by an occupational health and safety management system subject to audit or certification by a third party in 2021 is 6,932 and 4,249 respectively, and 7,051 and 4,042, respectively in 2020. Employees and non-employees of the centers corresponding to EESS have been included.
OCCUPATIONAL HEALTH AND SAFETY	403-2	Hazard identification, risk assessment, and incident investigation	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people	
OCCUPATIONAL HEALTH AND SAFETY	403-3	Occupational health services	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.2. Major occupational hazards	
OCCUPATIONAL HEALTH AND SAFETY	403-4	Worker participation, consultation, and communication on occupational health and safety	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.1. Safety, Health and Safety Committees	

Field	Indicator	Description	Chapter	Section	Direct Response
OCCUPATIONAL HEALTH AND SAFETY	403-5	Worker training on occupational health and safety	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people. Contractor and supplier safety	
OCCUPATIONAL HEALTH AND SAFETY	403-6	Promotion of workers' health	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people. Health promotion	
OCCUPATIONAL HEALTH AND SAFETY	403-8	Workers covered by an occupational health and safety management system	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	See response to indicator 403-1.
OCCUPATIONAL HEALTH AND SAFETY	403-9	Work-related injuries	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.4.1. Safety	
OCCUPATIONAL HEALTH AND SAFETY	403-10	Occupational illnesses and ailments			Accidents at the workplace and occupational illnesses have been considered although there were no deaths resulting from such ailments in 2021 or 2020.
TRAINING AND EDUCATION	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
TRAINING AND EDUCATION	404-1	Average number of hours of training per year per employee	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	

Field	Indicator	Description	Chapter	Section	Direct Response
TRAINING AND EDUCATION	404-2	Employee skill enhancement and transition assistance programs	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	405-1	Diversity in employee and management bodies	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1. Good governance. Selection of governing body members	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	405-1	Diversity in employee and management bodies	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	405-2	Women vs. men basic salary and remuneration ratio	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	405-2	Women vs. men basic salary and remuneration ratio	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
DIVERSITY AND EQUAL OPPORTUNITY OF PERFORMANCE AND PROFESSIONAL DEVELOPMENT	405-2	Women vs. men basic salary and remuneration ratio	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
NON-DISCRIMINATION	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
NON-DISCRIMINATION	406-1	Cases of discrimination and corrective steps taken	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	There have been no cases of discrimination.

Field	Indicator	Description	Chapter	Section	Direct Response
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	Management approach (103-1, 103-2 and 103-3)		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.4. Labour relations	
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	407-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk			None reported
CHILD LABOUR	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
CHILD LABOUR	408-1	Operations and suppliers at significant risk for incidents of child labour	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	There are no Cepsa sites where these indicators may be infringed or there may be cases of child labour, young workers exposed to hazardous work or forced or compulsory labour. No specific measures have been necessary to prevent child labour or forms of forced or compulsory labour. Nonetheless, we have circulated the 'Code of Ethics and Conduct' and the 'Human Rights Policy'.
FORCED LABOR	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	

Field	Indicator	Description	Chapter	Section	Direct Response
FORCED LABOR	409-1	Operations and suppliers with a significant risk of forced or compulsory labour			There are no Cepsa sites where these indicators may be infringed or there may be cases of child labour, young workers exposed to hazardous work or forced or compulsory labour. No specific measures have been necessary to prevent child labour or forms of forced or compulsory labour. Nonetheless, we have circulated the 'Code of Ethics and Conduct' and the 'Human Rights Policy'.
SECURITY PRACTICES	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
SECURITY PRACTICES	410-1	Security staff trained in human rights policies or procedures	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.7. HUMAN RIGHTS	None of Cepsa's own 8 security personnel received human rights training in 2021 or 2020. In 2021 and 2020, Cepsa had 140 and 550 security workers provided by third-party organisations, respectively. In 2021 and 2020, 59% and 16% received training in human rights policies or procedures, respectively.
RIGHTS OF INDIGENOUS PEOPLE	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
RIGHTS OF INDIGENOUS PEOPLE	411-1	Cases of violations of the rights of indigenous peoples	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. Relationship with indigenous communities	

Field	Indicator	Description	Chapter	Section	Direct Response
HUMAN RIGHTS ASSESSMENT	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
HUMAN RIGHTS ASSESSMENT	412-1	Operations subject to human rights impact assessments or reviews			There were no cases of non-compliance with human rights legislation during the year. A human rights impact assessment methodology has been developed in line with the UN Guiding Principles on Business and Human Rights and will be rolled out across the company's assets in 2022. We also monitor and control compliance with the 'Code of Ethics and Conduct' and the related compliance policies through the Cepsa Ethics and Compliance Channel.
HUMAN RIGHTS ASSESSMENT	412-2	Training of employees on human rights policies or procedures	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	
LOCAL COMMUNITIES	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management	

Field	Indicator	Description	Chapter	Section	Direct Response
LOCAL COMMUNITIES	413-1	Operations with local community involvement, impact assessments, and development programs	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa.	
			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 4.10.2 Our foundation's priorities and main initiatives	
LOCAL COMMUNITIES	413-2	Operations with significant negative impacts - both actual and potential - on local communities	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
SOCIAL ASSESSMENT OF SUPPLIERS	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.3. Supplier relations.	
SOCIAL ASSESSMENT OF SUPPLIERS	414-1	New suppliers that have passed selection filters according to social criteria			Of the suppliers that have entered into a new business relationship with Cepsa during the reporting period, most have passed the selection filters according to environmental and social criteria. In 2021, there were 258 new suppliers, 101 of whom work with the procurement area. Of these, 200 (93 relating to procurement) passed the selection filters. In 2020, there were 330 suppliers (120 of whom worked with the procurement area) and 266 passed the selection filters (112 relating to procurement).

Field	Indicator	Description	Chapter	Section	Direct Response
SOCIAL ASSESSMENT OF SUPPLIERS	414-2	Negative social impacts on the supply chain, and steps taken			During 2021 no suppliers were identified having a negative social impact. In 2020 4 suppliers were identified with whom the business relationship was discontinued on the grounds of non-compliance with ethical standards and Corporate Social Responsibility.
CUSTOMER HEALTH AND SAFETY	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
CUSTOMER HEALTH AND SAFETY	416-1	Assessment of the health and safety impacts of product or service categories	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
CUSTOMER HEALTH AND SAFETY	416-2	Cases of non-compliance relating to the impacts of product and service categories on health and safety	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
MARKETING AND LABELLING	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety. Labelling and Marketing	
MARKETING AND LABELLING	417-1	Product and service information and labeling requirements	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety. Labelling and Marketing	

Field	Indicator	Description	Chapter	Section	Direct Response
MARKETING AND LABELLING	417-2	Cases of non-compliance concerning product and service information and labeling	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
MARKETING AND LABELLING	417-3	Cases of non-compliance related to marketing communications	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
MARKETING AND LABELLING	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.4. Cybersecurity	
MARKETING AND LABELLING	418-1	Substantiated complaints regarding breaches of customer privacy and loss of customer data	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.2. OUR CUSTOMERS	
SOCIOECONOMIC COMPLIANCE	Management approach (103-1, 103-2 and 103-3)		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system	
SOCIOECONOMIC COMPLIANCE	419-1	Non-compliance with social and economic laws and regulations	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12 ETHICAL MANAGEMENT. 4.12.3. Requests for advice and infringements	
SPECIFIC	OG2	Total amount invested in renewable energy	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.1. Environmental investment	
SPECIFIC	OG3	Total amount of renewable energy generated, by type	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
SPECIFIC	OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.5. Protecting biodiversity	

Field	Indicator	Description	Chapter	Section	Direct Response
SPECIFIC	OG7	Amount of drilling waste (drilling muds and cuttings) and strategies for its treatment	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4. Circular economy	
SPECIFIC	OG8	Products and services	2. A FUTURE-PROOF COMPANY	2.5. INNOVATION	
SPECIFIC	OG9	Operations in sites where indigenous communities are present or in areas affected by activities, and percentage of such sites that have specific engagement strategies in place	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.7. HUMAN RIGHTS	
SPECIFIC	OG10	Number and description of significant disputes with local communities and indigenous peoples	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
SPECIFIC	OG11	Sites decommissioned and in the process of being decommissioned			Not applicable
SPECIFIC	OG12	Cases where involuntary relocation took place for the organization's activities			Not applicable
SPECIFIC	OG14	Volume of biofuel produced, purchased and sold	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions	

APPENDIX 8 TABLE OF CONTENTS OF THE NON-FINANCIAL INFORMATION LAW



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
BUSINESS MODEL				
Description of the business model				
Description of the group's business model, environment, organization and structure	102-1	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
	102-2	2. A FUTURE-PROOF COMPANY	2.1 VALUE CHAIN	
			2.2 OUR ACTIVITIES	
	102-3	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
	102-4	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
	102-5	-	-	
Markets in which it operates	102-6	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
			2.2. OUR ACTIVITIES	
	102-7	2. A FUTURE-PROOF COMPANY	2.3. OUR GLOBAL PRESENCE	
			2.8 A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
	5. SOLID ECONOMIC AND OPERATIONAL PERFORMANCE	5.1 MAIN FINANCIAL AND OPERATIONAL INDICATORS		
Objectives and strategies	102-14	LETTER FROM THE CHAIRMAN		
		LETTER FROM THE CEO		
	102-15	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	

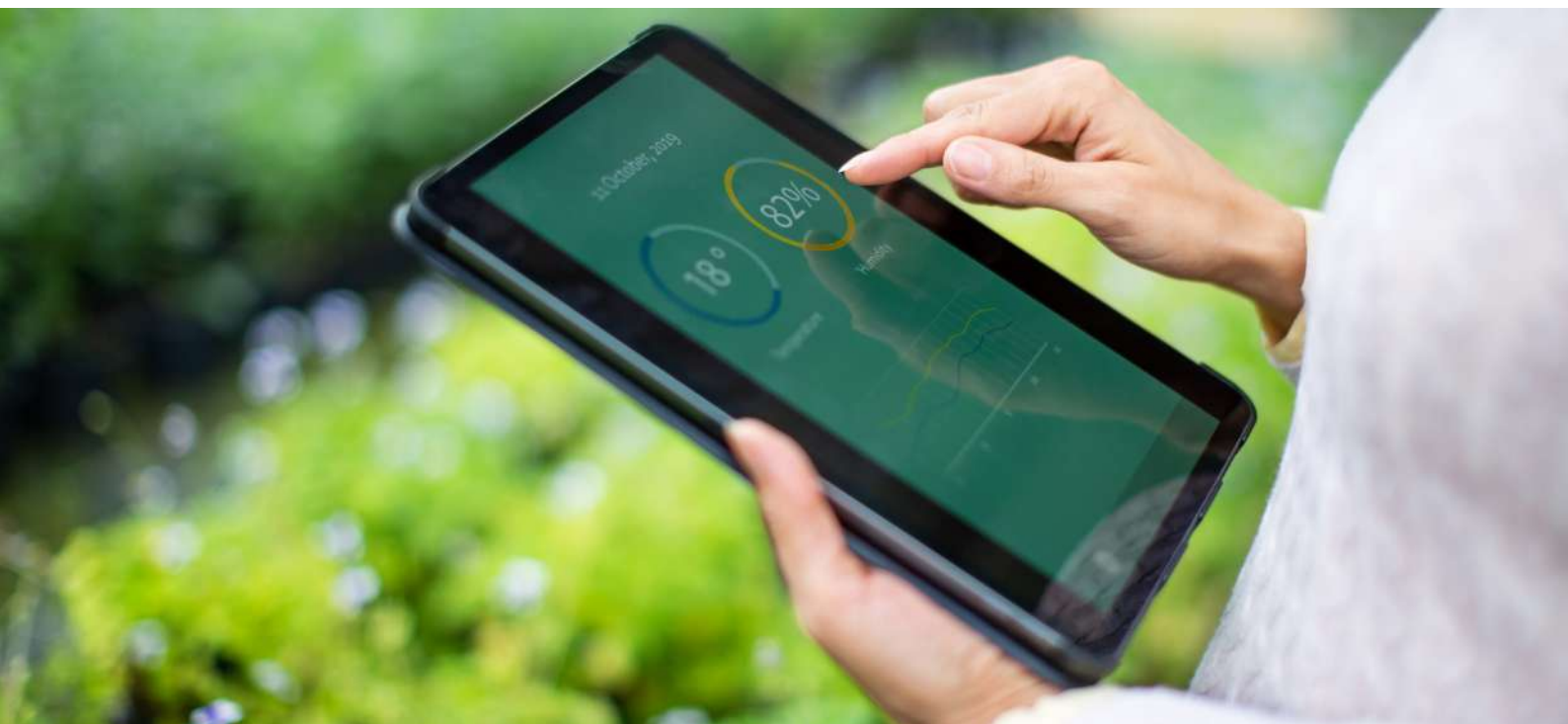
Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Main factors and trends that may affect its future development	102-15	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
		2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.3. Risk management	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.3 Climate change risks and opportunities	
		ANNEXES 2 THE COMPANY'S MAIN RISK	THE COMPANY'S MAIN RISK	
Policies	103			The main policies approved by Cepsa are set out in detail in the management approaches of each section throughout the report.
Policy results, KPIs	103			The results of applying the policies using specific indicators (KPIs) are included throughout the report in the successive chapters on non-financial matters.
Risks in the short, medium and long terms	102-15	1. ACCELERATING OUR TRANSFORMATION	1.1. A NEW ORGANISATION TO LEAD THE ENERGY TRANSITION	
		2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.3. Risk management	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.3 Climate change risks and opportunities	
		ANNEXES 2 THE COMPANY'S MAIN RISK	THE COMPANY'S MAIN RISK	
	413-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
	407-1	-	-	None reported.
408-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	There is no indication that Cepsa has any centers with actual or potential cases of child labor or young workers exposed to dangerous work.	
409-1	-	-	See the response to indicator 408-1.	
KPIs				The significant indicators (KPIs) for non-financial information are distributed throughout the report as provided in this crosswalk table

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
INFORMATION ON ENVIRONMENTAL ISSUES				
Environmental management				
Current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety	102-11	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.1. Management and best techniques	
	103			Management approach to each area of the environment. All management approaches are described in chapter 3.2. REDUCING OUR ENVIRONMENTAL IMPACT
Environmental assessment or certification procedures	308-1			Of the suppliers that have entered into a new business relationship with Cepsa during the reporting period, most have passed the selection filters according to environmental and social criteria. In 2021, there were 258 new suppliers ,101 of whom work with the procurement area. Of these, 200 (93 relating to procurement) passed the selection filters. In 2020, there were 330 suppliers (120 of whom worked with the procurement area) and 266 passed the selection filters (112 relating to procurement).
Resources dedicated to the prevention of environmental risks				
Application of the precautionary Principle Provisions and guarantees for environmental risks	308-2			The company has an insurance policy covering the financial guarantees required by the Environmental Responsibility Act in relation to the main risks identified.
Contamination				
Measures for the prevention, reduction or rectification of the carbon emissions that seriously affect the environment	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. Management approach	
	305-5		3.1. CLIMATE CHANGE MANAGEMENT. More efficient and sustainable energy.	3.1. CLIMATE CHANGE MANAGEMENT. Transformation and low-carbon products

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Taking into account any form of air pollution specific to an activity, including noise and light pollution	305-7	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Atmospheric emissions	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.2. Non GHG emissions	
	-	-	-	Aspects related to the noise or light impact of Cepsa's activities are not included in the material aspects defined in the materiality analysis.
Circular economy and waste prevention and management				
Circular economy	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. Reducing our impacts.	
	301-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
Actions to prevent, recycle and reuse waste, and other methods for waste recovery or disposal	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. Reducing our impacts.	
	306-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
	306-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
	306-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
306-4	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy		
306-5	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy		

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Actions to combat food waste	-	-	-	Aspects related to actions to combat food waste in Cepsa's activities are not envisaged in the material aspects defined in the materiality analysis.
Sustainable use of resources				
Water consumption and water supply according to local constraints	303-3	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	
	303-5	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Water management	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.3. Water management	
Consumption of raw materials, and measures adopted for a more efficient use of them	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
	301-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	
	301-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT 4.6.4 Circular economy	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts. Circular economy	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Energy: Direct consumption: measures taken to improve energy efficiency, use of renewable energies	103	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	302-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	302-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	302-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	302-4	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.4. STRATEGY. More efficient and sustainable energy	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Climate Change				
	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1. Management approach	
	305-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
	305-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	305-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
	305-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
GHG emissions	305-3	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
	305-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	305-4	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.5. Climate change metrics	
	305-4	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.5. CLIMATE CHANGE MANAGEMENT 4.5.1. Emissions	
	305-5	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1. Management approach	
Measures taken to adapt to the consequences of climate change	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. Climate change risks and opportunities.	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Voluntary medium- and long-term reduction targets to reduce GHG emissions, and the means put in place to that end	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1. Management approach	
	305-5	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1. Management approach	
Protection of biodiversity				
Measures taken to preserve or restore biodiversity	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.1. Management and best techniques	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.4 Protecting biodiversity	
Impact caused by the company's activities or operations in protected areas	304-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.5. Protecting biodiversity	
	304-3	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.4 Protecting biodiversity	
	304-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.5. Protecting biodiversity	



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
SOCIAL AND PERSONNEL MATTERS				
Employment				
Total number and distribution of employees by gender, age, country and job category	102-8	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
	202-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
	405-1	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1 Good governance. Selection of governing body members	
		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
Total number and distribution of the different types of employment contract	102-8	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT	
Annual average of permanent, temporary and part-time contracts by gender, age and job category	102-8	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.1. Description of the workforce	
	405-1	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1 Good governance. Selection of governing body members	
Number of dismissals by gender, age and job category	401-1	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1.1. Integrated talent management model	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.2. Management model	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.2. Management model	
Average remuneration and its evolution by gender, age and job category or equal value	405-2	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
Pay gap, remuneration of equal jobs or average in the company	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
	405-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.7. Brecha Salarial	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Average remuneration of directors and executives, including variable remuneration, allowances, compensation, payments to long-term savings schemes and any other forms of remuneration, sorted by gender	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
	102-35	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Remuneration	
	102-36	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.3. Board of Directors and senior management remuneration	
	102-38	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
	102-39	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.6. Remuneration	
Implementation of policies for switching off from work	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Management model. Flexibility and work-life balance	
Employees with disabilities	405-1	2. A FUTURE-PROOF COMPANY	2.9. GOVERNANCE TO LEAD THE TRANSITION. 2.9.1 Good governance. Selection of governing body members	
		2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
Organization of work				
Organization of working hours	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Management model. Flexibility and work-life balance	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Number of hours of absence	103	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.2. Major occupational hazards	
Measures to help enjoy a work-life balance and encourage both parents to take responsibility for this	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Management model. Flexibility and work-life balance	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT 4.3.2. Management model	



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Health & Safety				
	403-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	The number of employees and workers (not employees) whose work or place of work is controlled by the organization and covered by a workplace health and safety management system subject to audit or certification by a third party in 2021 stands at 6,932 and 4,259 respectively, and 7,051 and 4,042, respectively, in 2020. Employees and non-employees at Service Station locations are included.
	403-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.2. Major occupational hazards	
Health and safety conditions at the workplace	403-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.1. Safety. Health and Safety Committees	
	403-4	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.1. Safety. Health and Safety Committees	
	403-5	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people. Contractor and supplier safety	
	403-6	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people. Health promotion	
	403-8	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	See response to indicator 403-1.

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Accidents at work, particularly in terms of frequency and severity	403-9	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.4.1. Safety	
	403-10			Accidents at the workplace and occupational illnesses have been considered although there were no deaths resulting from such ailments in 2021 or 2020.
Occupational diseases (frequency and severity), broken down by gender	403-9	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.4.1. Safety	
	403-10			Accidents at the workplace and occupational illnesses have been considered although there were no deaths resulting from such ailments in 2021 or 2020.
Social relations				
Organization of social dialog, including procedures to inform and consult the staff and bargain with them	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.4. Labour relations	
	407-1			None reported.
Percentage of employees covered by a collective bargaining agreement, by country	102-41	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT.	
Result of collective bargaining agreements, especially in health and safety at the workplace	403-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1. Protection of people.	The number of employees and workers (not employees) whose work or place of work is controlled by the organization and covered by a workplace health and safety management system subject to audit or certification by a third party in 2021 stands at 6,932 and 4,259 respectively, and 7,051 and 4,042, respectively, in 2020. Employees and non-employees at Service Station locations are included.

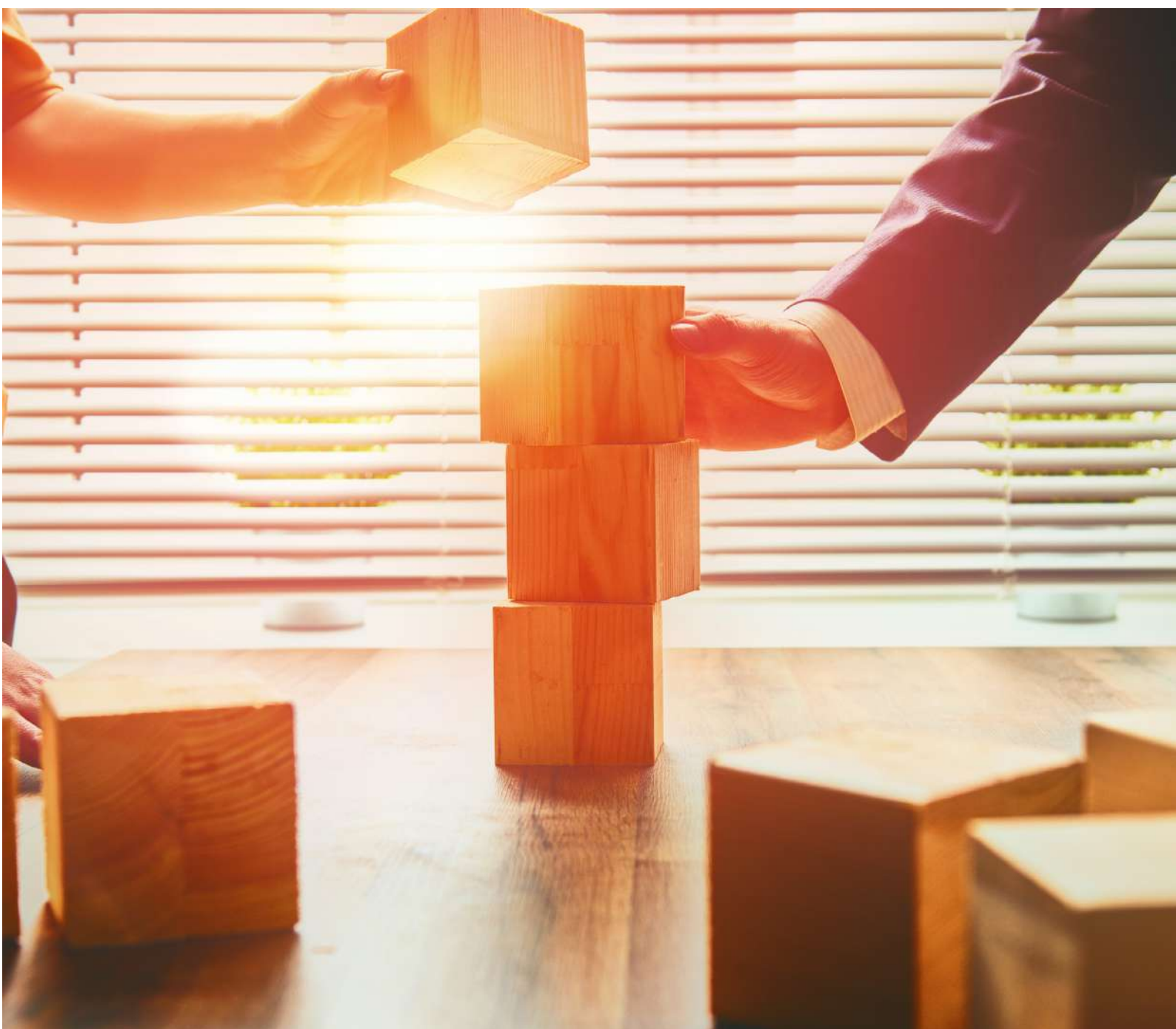
Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Education				
Training policies implemented	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
	404-1	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	
	404-2	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	
Total number of hours of training by job category	404-1	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1. Integrated talent management model	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	
Accessibility				
Universal accessibility for persons with disabilities	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	
Equality				
Measures taken to promote equal opportunities and treatment between men and women	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2. A corporate culture committed to diversity	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Equality plans (Chapter III of Spanish Organic Law 3/2007 of 22 March for effective gender equality)	103	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.4.	A corporate culture committed to diversity
Measures taken to promote employment	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.1.	Management model. Flexibility and work-life balance
Protocols against sexual and gender-based harassment	103	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.4.	A corporate culture committed to diversity
The integration and universal accessibility of people with disabilities	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2.	A corporate culture committed to diversity
The policy against all types of discrimination and, where applicable, the diversity management policy	103	2. A FUTURE-PROOF COMPANY	2.8. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 2.8.2.	A corporate culture committed to diversity



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
INFORMATION ON RESPECT FOR HUMAN RIGHTS				
Respect for human rights				
Implementation of due diligence procedures for human Rights	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
	102-16	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8 ETHICAL MANAGEMENT.	
Prevention of human right violations and, if applicable, measures to mitigate, manage and remedy such violations	102-17	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8 ETHICAL MANAGEMENT.	
	412-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.3. A DIVERSE AND INCLUSIVE WORK ENVIRONMENT. 4.3.3. Training	
	410-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.7. HUMAN RIGHTS	
Reports of human rights violations	406-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
Promotion of, and compliance with, the International Labour Organization's basic agreements on the respect of freedom of association and the right to collective bargaining	407-1			In 2021 and in 2020 no non-compliance was detected in this regard. Respect of the right to freedom of association and participation of workers' representatives is one of the basic principles of our relationship with employees.
The elimination of discrimination at work and in relation to employment	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
	406-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
The elimination of forced or compulsory labour	409-1			There are no Cepsa sites where these indicators may be infringed or there may be cases of forced or compulsory labour. No specific measures have been necessary to prevent forced or compulsory labour. Nonetheless, we have circulated the 'Code of Ethics and Conduct' and the 'Human Rights Policy'.

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Actual abolition of child labour	408-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	There are no Cepsa sites where these indicators may be infringed or there may be cases of forced or compulsory labour. No specific measures have been necessary to prevent forced or compulsory labour. Nonetheless, we have circulated the 'Code of Ethics and Conduct' and the 'Human Rights Policy'.



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
INFORMATION ON THE FIGHT AGAINST CORRUPTION AND BRIBERY				
Fighting corruption and bribery				
	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT.	
	102-16	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT.	
	102-17	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT.	
Measures taken to prevent corruption and bribery	205-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12. ETHICAL MANAGEMENT. 4.11.3. Requests for advice and infringements	
	205-2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12. ETHICAL MANAGEMENT. 4.12.1. Communications to employees	
	205-3	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.8. ETHICAL MANAGEMENT. 3.8.2. A robust compliance management system. Combating corruption, bribery, and money laundering	
Anti-money laundering measures	205-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.12. ETHICAL MANAGEMENT. 4.11.3. Requests for advice and infringements	
Contributions to non-profit foundations and organizations	102-12	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. Institutional relations	
	102-13	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. Institutional relations	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
INFORMATION ABOUT SOCIETY				
The company's commitment to sustainable development				
Impact of the company's activities on local development and employment	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
	203-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 4.10.1. Commitment and social management	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
	203-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 4.10.1. Commitment and social management	
	413-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 4.10.2 Our foundation's priorities and main initiatives	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Impact of the company's activities on local villages/ towns and the territory	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa	
	203-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 4.10.2 Our foundation's priorities and main initiatives	
		3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
	203-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 4.10.1. Commitment and social management	
	411-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	
	413-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 4.10.2 Our foundation's priorities and main initiatives	
	413-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.3. HUMAN RIGHTS	

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT 3.6.1. Commitment and social management. Fundación Cepsa	
Relationships with local community players and types of dialogue with them	102-43	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS	
	413-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management. Fundación Cepsa	
		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.10. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 4.10.2 Our foundation's priorities and main initiatives	
Actions towards associations or sponsorships	102-12	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. Institutional relations	
	102-13	2. A FUTURE-PROOF COMPANY	2.6. STAKEHOLDERS. Institutional relations	



Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Subcontracting and suppliers				
Inclusion of social, gender equality and environmental matters to the purchasing Policy	102-9	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
	102-10	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
			3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.3. Supplier relations	
Consideration of suppliers' and subcontractors' social and environmental responsibility in relationships with them	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
	308-1			Of the suppliers that have entered into a new business relationship with Cepsa during the reporting period, most have passed the selection filters according to environmental and social criteria. In 2021, there were 258 new suppliers, 101 of whom work with the procurement area. Of these, 200 (93 relating to procurement) passed the selection filters. In 2020, there were 330 suppliers (120 of whom worked with the procurement area) and 266 passed the selection filters (112 relating to procurement).
	204-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.2. Our supply chain	
Supervision systems and audits and their outcomes		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION.	4.9. SUSTAINABLE SUPPLY CHAIN 4.9.2. Geographic distribution of the supply chain	
	414-1			See the response to indicator 308-1.
	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.5. SUSTAINABLE SUPPLY CHAIN. 3.5.3. Supplier relations	
Supervision systems and audits and their outcomes	414-1			See the response to indicator 308-1.
	414-2			During 2021 no suppliers were identified having a negative social impact. In 2020 4 suppliers were identified with whom the business relationship was discontinued on the grounds of non-compliance with ethical standards and Corporate Social Responsibility.

Content of the statement of non-financial information	Reporting standard (GRI)	Chapter of the report	Section	Additional comment
Consumers				
Consumer health and safety measures	103	2. A FUTURE-PROOF COMPANY	2.7. OUR COSTUMERS	
	416-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
Claims systems, complaints received and their resolution	103	2. A FUTURE-PROOF COMPANY	2.7. OUR COSTUMERS	
	416-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.2. Consumer health and safety.	
	418-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.2. OUR COSTUMERS	
Tax information				
Profit by country	103	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. Management approach	
	207-1	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. Management approach	
	207-2	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.1. Management approach.	
	207-3	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE	3.7. TRANSPARENCY AND FISCAL RESPONSIBILITY. 3.7.2. Good tax practices and cooperation with public administrations	
207-4	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION	4.11. TRANSPARENCY AND FISCAL RESPONSIBILITY. Country by country report		
Public subsidies received				The financial assistance received from public bodies in 2021, 2020 and 2019 was: 25.3, 23.3 y 21.2 million respectively.

APPENDIX 9 SASB INDICATORS INDEX



Indicator reference	InTraining reported	Related GRI standard	Additional comments
EM-EP-110a.1			
EM-RM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	305-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
RT-CH-110a.1			
EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	OG-6	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-EP-110a.3			
EM-RM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	201-2 305-5	3. WE ADVANCE IN SUSTAINABLE PERFORMANCE. 3.1. CLIMATE CHANGE MANAGEMENT. 3.1.1 Management approach. 3.1.2. Climate change governance
RT-CH-110a.2			
RT-CH-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable (4) total self-generated energy	302-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-RM-410a.1	Percentage of Renewable Volume Obligation (RVO) met through: (1) production of renewable fuels (2) purchase of "separated" renewable identification numbers (RIN)	OG-14	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions

Indicator reference	In Training reported	Related GRI standard	Additional comments
EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-EP-120a.1	Atmospheric emissions of NOx (excluding N2O), SOx, volatile organic compounds (VOCs), particulate matter (PM10)	305-7	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-RM-120a.1	Atmospheric emissions of NOx (excluding N2O), SOx, volatile organic compounds (VOCs), particulate matter (PM10), H2S		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
RT-CH-120a.1	Atmospheric emissions of NOx (excluding N2O), SOx, volatile organic compounds (VOCs) and HAP		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-EP-140a.1	(1) Total fresh water withdrawn (2) total fresh water consumed (3) Percentage of each in regions with High or Extremely High Baseline Water Stress	303-3	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.3. Water management
RT-CH-140a.1			
EM-RM-140a.1			
EM-EP-140a.2	(1) Volume of produced water and flowback fluid generated during operations (2) percentage of produced water and flowback fluid discharged, injected and recycled (3) hydrocarbon content in discharged water	OG-5	Cepsa does not carry out fracking operations.
EM-RM-140a.2	(1) Volume of produced water and flowback fluid generated during operations (2) percentage of produced water and flowback fluid discharged, injected and recycled (3) hydrocarbon content in discharged water	307-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.3. Water management
RT-CH-140a.2			
EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used		Cepsa does not have any hydraulically fractured wells.
EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline		Cepsa does not have any hydraulic fracturing sites where ground or surface water quality has deteriorated.
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	303-1	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.4. Circular economy
EM-RM-150a.1	Amount of hazardous waste generated, percentage recycled	306-2	3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.2. Reducing our impacts 3.2.2.2. Water management
RT-CH-150a.1			APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.3. Water management

Indicator reference	In Training reported	Related GRI standard	Additional comments
EM-RM-150a.2	(1) Number of underground storage tanks (UST), (2) number of UST releases requiring cleanup and (3) percentage in states with UST financial assurance funds		<p>The methods and processes used by Cepsa to prevent UST leaks or releases are:</p> <ul style="list-style-type: none"> • Installation of in tank high level electronic probes read on the inventory console of service stations. • Installation of double walled tanks in new projects and gradual conversion of existing single walled tanks. Double walls are mandatory in some Autonomous Regions in Spain and when sales exceed 3 million liters.
EM-EP-160a.1	Description of environmental management policies and practices for active sites	Environmental Management approach	<p>3.2. REDUCING OUR ENVIRONMENTAL IMPACT. 3.2.3 Protecting biodiversity.</p> <p>APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.5. Protecting biodiversity.</p> <p>We collaborate with independent foundations and NGOs that carry out studies and research into biodiversity. For example, in 2021 we published the book "Libro de mamíferos de los Llanos Orientales de Colombia" ("Mammals in the Eastern Plains of Colombia") as a contribution to understanding biodiversity in the areas where we operate.</p>
EM-EP-160a.2	Number and aggregate volume of hydrocarbon keros, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	304-1 306-3	<p>APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.5. Protecting biodiversity</p> <p>APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.4. CIRCULAR ECONOMY</p>
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict		Cepsa does not have reserves in or near areas of conflict.
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land		APPENDIX 5 ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Exploration and production
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict		There have been no prior consultation processes with indigenous communities as none of our operations are on such sites.
RT-CH-210a.1 EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests		Social investment is a stakeholder engagement strategy that enables us to strengthen long-term, trusting relationships and contribute to operational sustainability in local communities.
EM-EP-210b.2	Number and duration of non-technical delays		APPENDIX 5 ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Chemicals

Indicator reference	In Training reported	Related GRI standard	Additional comments
EM-EP-320a.1	(1) Total recordable incident rate (TRIR)		
EM-RM-320a.1	(2) fatality rate		
	(3) nearmiss frequency rate (NMFR) (EP, RM)	403-5	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.2. Major occupational hazards
RT-CH-320a.1	(4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	403-9	
EM-EP-320a.2			3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1.1. Safety of our professionals.
			We have created a sistema de gestión basado en un enfoque preventivo y que incorpora una serie de requisitos de alto nivel con el objetivo de manage environmental and health matters in all operations and projects.
			This system is structured into four principles:
EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	403-1	<ul style="list-style-type: none"> • Leadership in order to establish a vision and objectives, provide resources, define progress measures and verify, strengthen and improve the operations system. • Social and environmental risk management: we apply a standardized approach in order to identify, assess, prevent and mitigate these risks. • Implementation of structured roles and responsibilities. • Continuous improvement in all activities and operations performed.
			Additionally, see chapter 3.4. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 3.4.1.1. Safety of our professionals.
			Initiatives undertaken to assess, monitor and reduce the exposure of employees and contract workers to long-term (chronic) health risks are as follows:
RT-CH-130a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	403-3	<ul style="list-style-type: none"> • Safe design of facilities. • Equipment and facility maintenance programmes. • Risk assessment to analyse possible exposure to chemical products and agents, and definition of preventive measures to be adopted. • Regular monitoring programmes. • In the event of an accident, actions under the internal emergency plan and established protocols. • Use and provision of personal protective equipment (PPE). • Regular medical examinations. • Risk training and information for workers. • Collection and laundering of work clothes. Separation of work and street clothes. Time for personal hygiene at the end of the working day.

Indicator reference	In Training reported	Related GRI standard	Additional comments
EM-RM-410a.1	Percentage of Renewable Volume Obligation (RVO) met through: (1) production of renewable fuels (2) purchase of "separated" renewable identification numbers (RIN)	OG-14	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	305-2	APPENDIX 5 ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidated results. Chemicals
RT-CH-410b.1	1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances. (2) percentage of such products that have undergone a hazard assessment	417-1 416-1	100% of chemicals have been assessed. 90% of them contain chemicals hazardous to health and the environment in categories 1 and 2 of the Globally Harmonised System of Classification and Labelling of Chemicals (GHS). 99% of products sold are in categories 1 and 2.
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact		As part of our chemicals of concern management strategy, we monitor substances on the list of substances of very high concern. In the event that a substance could potentially be included on these lists, the Chemicals business, together with the industry groups, collaborate with the authorities to ensure that the products are handled safely. If this is not possible, options such as eliminating the committed use, limiting concentration or considering alternatives to reduce the negative impact on people or the environment are assessed.
EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves		APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.5. CLIMATE CHANGE MANAGEMENT. 4.5.1. Emissions
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	OG2	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.6. REDUCING OUR ENVIRONMENTAL IMPACT. 4.6.1. Environmental investment
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets		The Exploration and Production business is heavily influenced by crude oil prices and the hydrocarbon supply and demand balance, depending on which changes may be made to certain investments compared with initial plans. These changes could in most cases lead to postponing the investment pending a more favourable economic scenario and in a small number of cases, its total elimination. See chapter 2.2. OUR ACTIVITIES. 2.2.4. Exploration and production.
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Corruption management approach	0%

Indicator reference	InTraining reported	Related GRI standard	Additional comments
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Corruption management approach	<p>The main general anti-corruption controls in the E&P business are:</p> <ul style="list-style-type: none"> • 'Code of Ethics and Conduct' and 'Anti-Bribery, Anti-Corruption and Conflict of Interest Policy'. • Ongoing conflict of interest screening of our employees and all new business relationships with third parties (before entering into the relationship). • Awareness-raising actions. • Due diligence investigation of third parties and continuous monitoring of the risk of sanctions and the integrity/reputation of our asset partners. • Ethics and Compliance Channel. <p>The asset-specific controls and assurance activities are as follows:</p> <ul style="list-style-type: none"> • Counterparty analyses (in supply chain processes, donations, social actions and sponsorships, security services, relations with governments or public entities, and tendering and permitting). • Save for contracts for a minimum amount, all standard contracts include specific clauses containing obligations, duties and statements related to anti-corruption risk. Our 'Anti-Corruption Policy' is annexed to larger contracts as an integral part of the agreement (in supply chain processes). • When a match with a list is identified or a red flag is raised, the matter is analysed to decide whether further enquiries (in supply chain processes) are necessary. • Extensive or intensive due diligence investigations (on supply chain processes) are mandatory when sourcing local suppliers or contractors or high-risk services. • Local policy regulating the form and controls for entering into agreements with non-profit entities, including the need to sign written agreements expressly stating our anti-corruption policy and certain restrictions on contributions (in donation, social action and sponsorship processes). • Any courtesy items given to public servants must be reported in a pre-established format (in security services and relations with governments or public entities). <p>In non-operated assets, the risk of corruption is reviewed through joint venture audits. In the case of Algeria, counterparty analyses are carried out for transactions exceeding the economic limit stipulated in joint operating contracts. Compliance questionnaires are used to request reports on the most relevant aspects of corruption issues by those responsible for the business in non-operated assets.</p>
EM-RM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation		Monetary losses incurred by Cepsa in this connection have amounted to 0 during the reporting period.

¹ Contributions must be made in kind, unless approved by the Compliance Officer.

Indicator reference	In Training reported	Related GRI standard	Additional comments
EM-EP-530a.1			3.1. CLIMATE CHANGE MANAGEMENT. 3.1.3. Climate change risks and opportunities
EM-RM-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	201-2 102-15	3.6. COMMITMENT AND CONTRIBUTION TO SOCIAL DEVELOPMENT. 3.6.1. Commitment and social management
EM-RM-530a.1			APPENDIX 2 THE COMPANY'S MAIN RISK.
EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2)		
EM-RM-540a.1		OG-13	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.3. Safety of facilities
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)		
EM-RM-540a.2	Challenges to Safety Systems indicator rate (Tier 3)	--	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.3. Safety of facilities
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks		Catastrophic accident risk management is described in an internal procedure. Each scenario identified during the high- or very-high-consequence risk assessments develops a bowtie ² where all possible barriers, both procedural and physical, are identified. To ensure the effectiveness of the barriers, on-site verifications are carried out in the form of inspections, maintenance, training and/or periodic audits, among other tasks. Each Exploration & Production operation has its own emergency plans describing scenarios and risks, as well as equipment and the actions to be taken in each case. Emergency plans are tested at the local level through regular drills.
RT-CH-540a.2	Number of transport incidents	403-9	APPENDIX 4 SUSTAINABILITY ADDITIONAL INFORMATION. 4.8. HEALTH AND SAFETY OF PEOPLE AND FACILITIES. 4.8.2. Major occupational hazards

² The bowtie diagram is a safety tool for the visualisation of complex risks in a comprehensible way, enabling the creation of improvement plans.

Indicator reference	InTraining reported	Related GRI standard	Additional comments
EM-RM-540a.3	Analysis of measurement of Operating Discipline and Management System Performance through Tier. 4		<p>Tier-4 leading indicators are proactive indicators that identify weaknesses in safety management systems so that they can be analysed to prevent the occurrence of level 1 or 2 Process Safety Events (PSE).</p> <p>At Cepsa, the following tier-4 indicators are among the most relevant:</p> <ul style="list-style-type: none"> • Updated unit risk assessments and implementation of recommendations. • Compliance with established plans for safety and prevention training, drills, safety walks, preventive observations and housekeeping. • Review of process safety procedures according to defined plans. • Audits of work permits, technical changes and deviation-free relay books. • Safety inspection rate (number of Preventive Safety Inspections (PSI) carried out against target). <p>Implementation rate for corrective and preventive actions carried out.</p>
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas		APPENDIX 5. ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Exploration and production.
EM-EP-000.B	Number of offshore sites		Cepsa has 2 offshore sites.
EM-EP-000.C	Number of terrestrial sites		Cepsa has 8 terrestrial sites.
EM-RM-000.A	Refining throughput of crude oil and other feedstocks		APPENDIX 5. ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Refining
EM-RM-000.B	Refining operating capacity		APPENDIX 5. ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Refining
RT-CH-000.A	Production by reportable segment		APPENDIX 5. ADDITIONAL FINANCIAL INFORMATION. 5.2. Analysis of consolidates results. Chemicals





Compañía Española de Petróleos S.A.

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COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A. AND SUBSIDIARIES (CEPSA GROUP)

Consolidated Financial Statements and Consolidated Management Report for the year ended December 31 2021

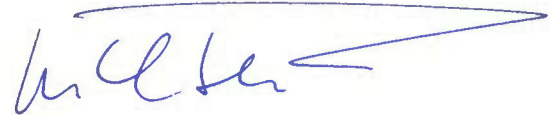
The Consolidated Financial Statements (Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Changes in Equity, Consolidated Cash Flow Statements and Notes to the Consolidated Financial Statements) and Integrated Management Report which includes the Consolidated Non-Financial Information Statement of Compañía Española de Petróleos, S.A. and Subsidiaries (CEPSA Group), for the year ended December 31, 2021, contained in this document, have been adopted and issued by the Board of Directors of Compañía Española de Petróleos, S.A. (CEPSA) at its meeting held on March 15, 2022 in compliance with Article 253 of the Spanish Companies Act in force.

To the best of our knowledge, the Consolidated Financial Statements, prepared in accordance with generally accepted accounting principles, offer a true and fair view of the financial situation and results of the CEPSA Group, and the Consolidated Management Report, which includes the Consolidated Non-Financial Information Statement, accompanying the Consolidated Financial Statements offers a true and fair view of the development and performance of the businesses and financial position of the CEPSA Group, together with a description of the key risks and uncertainties that it faces.

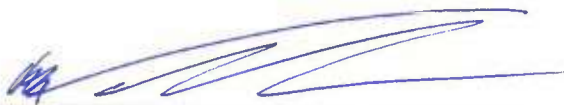
Madrid, March 15, 2022



Mr. Ahmed Yahia
Chairman



Mr. Martialis Quirinus Henricus van Poecke
Vice Chairman



Mr. Maarten Wetselaar
Managing Director

Mr. Musabbeh Helal Musabbeh Ali Alkaabi
Director



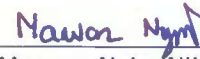
Mr. Ángel Corcóstegui Guraya
Director



Mr. Saeed Mohamed Hamad Fares Almazrouei
Director



Ms. Alyazia Ali Saleh Ahmed Alkuwaiti
Director



Mr. Marwan Naim Nijmeh
Director



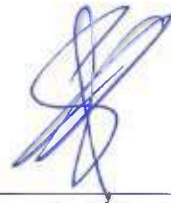
Mr. James Robert Maguire
Director



Mr. Joost-Bart Maria Dröge
Director



Mr. Jörg Christian Häring
Corporate Secretary (Non-Director)



Mr. José Aurelio Téllez Menchén
Corporate Deputy Secretary (Non-Director)

CERTIFICATION.- I hereby certify that the Consolidated Financial Statements (Balance Sheets, Income Statements, Statements of Changes in Equity, Statement of Comprehensive Income recognized in Equity, Cash Flow Statements and Notes to the Financial Statements), along with the Integrated Management Report, which includes the Non-Financial Information Statement, of Compañía Española de Petróleos, S.A. (CEPSA) and its subsidiaries (CEPSA Group) for 2021, were not signed by the Director, Mr. Musabbeh Helal Musabbeh Ali Alkaabi, as he was not physically present at the meeting held on March 15, 2022 in which the aforementioned Consolidated Financial Statements and Integrated Management Report were unanimously adopted by the Board of Directors, although he attended the meeting by videoconference and expressly declared that he approved both documents.

IN WITNESS WHEREOF, I, Jörg Christian Häring, hereby sign my name as Secretary of the Board of Directors, on March 15, 2022.



Compañía Española de Petróleos, S.A. and Subsidiaries (Cepsa Group)

Consolidated Financial Statements and Integrated Management Report – 2021 Financial Year

I hereby certify that, to the best of my knowledge and belief, the Consolidated Financial Statements (Consolidated Balance Sheets, Consolidated Income Statements, Consolidated Statements of Changes in Equity, Consolidated Statement of Comprehensive Income recognized in Equity, Consolidated Cash Flow Statements and Notes to the Consolidated Financial Statements), along with the Integrated Management Report of Compañía Española de Petróleos, S.A. and Subsidiaries (CEPSA Group) for 2021 and drafted and approved by the Board of Directors of Compañía Española de Petróleos, S.A. at its meeting held on 15 March 2022, were prepared in accordance with generally applicable accounting standards and present a true and fair view of the assets and liabilities, financial position and results of Cepsa.

Madrid, 15 March 2022

A handwritten signature in black ink, consisting of a large, stylized 'C' and 'A' intertwined, with a horizontal line extending to the right from the bottom of the signature.

Carmen Ángela de Pablo Redondo
Chief Financial Officer

Compañía Española de Petróleos, S.A. and subsidiaries

Independent limited assurance
report on the consolidated non-
financial information statement of
Compañía Española de Petróleos,
S.A. and subsidiaries for 2021

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT OF COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A. AND SUBSIDIARIES FOR 2021

To the Shareholders of Compañía Española de Petróleos, S.A.,

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the Consolidated Non-Financial Information Statement (“NFIS”) for the year ended 31 December 2021 of Compañía Española de Petróleos, S.A. and subsidiaries (“the Group”), which forms part of the accompanying Consolidated Directors’ Report of the Group.

The content of the Consolidated Directors’ Report includes information, additional to that required by current Spanish corporate legislation relating to non-financial reporting, that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in the “Table of contents of the Non-Financial Information Law” and “GRI indicators index” in the accompanying Consolidated Directors’ Report.

Responsibilities of the Directors

The preparation and content of the NFIS included in the Group’s Directors’ Report are the responsibility of the directors of Compañía Española de Petróleos, S.A. The NFIS was prepared in accordance with the content specified in current Spanish corporate legislation and with the criteria of the Global Reporting Initiative Sustainability Reporting Standards (GRI standards) in their core option, as well as other criteria, including those contained in the Oil and Gas sector supplement of the GRI G4 Guidelines, described as indicated for each matter in the “Table of contents of the Non-Financial Information Law” and “GRI Indicators index” in the aforementioned Consolidated Directors’ Report.

These responsibilities also include the design, implementation and maintenance of such internal control as is determined necessary to enable the NFIS to be free from material misstatement, whether due to fraud or error.

The directors of Compañía Española de Petróleos, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our work in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower.

Our work consisted of making inquiries of management and the various units of Compañía Española de Petróleos, S.A. that participated in the preparation of the NFIS, reviewing the processes used to compile and validate the information presented in the NFIS, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Group personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents included in the 2021 NFIS based on the materiality analysis performed by the Group and described in the “About this Report” section, taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the 2021 NFIS.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters presented in the 2021 NFIS.
- Verification, by means of sample-based tests, of the information relating to the contents included in the 2021 NFIS and the appropriate compilation thereof based on the data furnished by the information sources.
- Obtainment of a representation letter from the directors and management.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that the Group’s NFIS for the year ended 31 December 2021 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and with the criteria of the GRI standards in their core option, as well as other criteria, including those contained in the Oil and Gas sector supplement of the GRI G4 Guidelines, described as indicated for each matter in the “Table of contents of the Non-Financial Information Law” and “GRI indicators index” in the Consolidated Directors’ Report.

Other Matter

On 4 March 2021 other assurance practitioners issued their independent limited assurance report on the Consolidated Non-Financial Information Statement of Compañía Española de Petróleos, S.A. and Subsidiaries for 2020, in which they expressed an unmodified conclusion.

Use and Distribution

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes or jurisdictions.

DELOITTE, S.L.



Fernando García Beato

15 March 2022